

North Carolina General Assembly

**HOUSE SELECT COMMITTEE
FOR FEDERAL EDUCATION
GRANTS**

**Interim Report
May 19, 1998**



North Carolina General Assembly
House of Representatives
State Legislative Building
Raleigh 27601-1096

REPRESENTATIVE DONALD SPENCER DAVIS
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COMMITTEES:

AGRICULTURE COMMITTEE
APPROPRIATIONS COMMITTEE
SUBCOMMITTEE EDUCATION
COMMERCE COMMITTEE
CHAIRMAN-SUBCOMMITTEE
BUSINESS AND LABOR
CONGRESSIONAL REDISTRICTING COMMITTEE
EDUCATION COMMITTEE
SUBCOMMITTEE ON PRESCHOOL,
ELEMENTARY AND SECONDARY EDUCATION
STATE GOVERNMENT COMMITTEE
SUBCOMMITTEE ON MILITARY, VETERAN AND
INDIAN AFFAIRS

May 19, 1998

Harold J. Brubaker, Speaker of the House
NC General Assembly
Legislative Building Room 2304
Raleigh, NC 27601

Dear Mr. Speaker:

The following interim report of the House Select Committee for Federal Education Grants is hereby submitted pursuant to your directive of September 4, 1997. Enclosed are the interim report, which includes a recommended special provision for the 1998 legislative session pertaining to the state budget, along with the following Attachments:

- 1) Goals 2000 program review form
- 2) Child nutrition program review form
- 3) Letter from Lorraine Cook, a parent concerned about her daughter's career pathway
- 4) Goals 2000 contracts
- 5) Child nutrition contracts
- 6) School-to-Work contracts
- 7) School-to-Work procurement review forms
- 8) Letter from Senator Hamilton C. Horton, Jr.
- 9) North Carolina's School-to-Work grant application to the federal government
- 10) Letter from Ken Eudy, with Capital Strategies, to the Department of Public Instruction's Purchasing Section
- 11) Memorandum from Gerry F. Cohen, Director of Legislative Drafting, to the House Select Committee for Federal Education Grants

Sincerely,

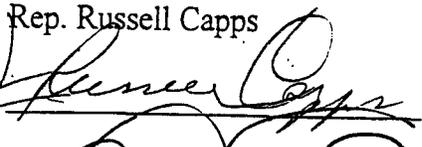
Donald Spencer Davis

Chairman, House Select Committee for Federal Education Grants

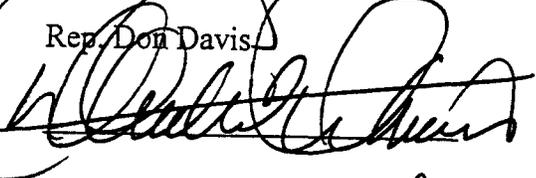


The Interim Report of the House Select Committee for Federal Education Grants,
May 28, 1998, is hereby approved by the following Select Committee members:

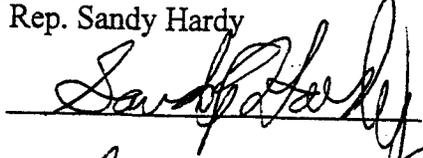
Rep. Russell Capps



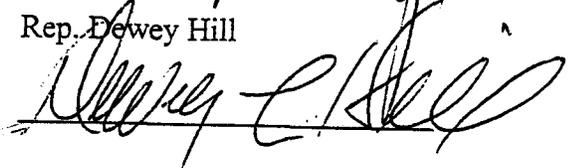
Rep. Don Davis



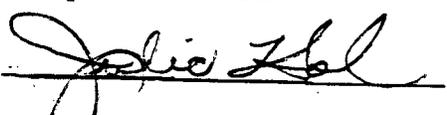
Rep. Sandy Hardy



Rep. Dewey Hill



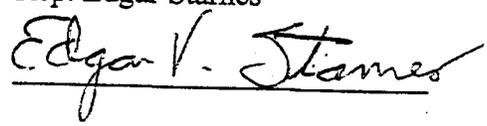
Rep. Julia Howard



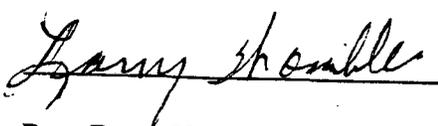
Rep. Fern Shubert



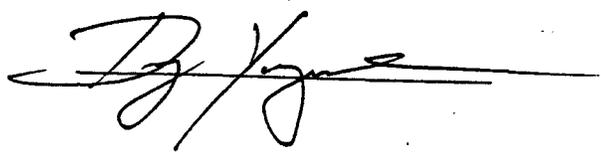
Rep. Edgar Starnes



Rep. Larry Womble



Rep. Doug Yongue



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May , 1998, is hereby approved by the following Select Committee members:

Rep. Russell Capps

Rep. Don Davis

Rep. Sandy Hardy

Rep. Dewey Hill

Rep. Julia Howard

Rep. Fern Shubert

Rep. Edgar Starnes

Rep. Larry Womble

Rep. Doug Yongue

Interim Report

Pursuant to the directive by the Speaker of the House, Harold J. Brubaker, on September 4, 1997, the following is an interim report of the House Select Committee for Federal Education Grants to the 1997-98 second session of the House of Representatives.

While there are additional federal education grants to review, the Committee has thus far examined several of the largest: the Goals 2000, Child Nutrition, and School-to-Work programs. The following are the Committee's findings:

1) Regarding a specific analysis of federal funds appropriated, program descriptions, State and local matching funds related to these federal grants, maintenance of effort requirements, and the impact of match requirements on the State budget, see Attachments 1 and 2 related to Goals 2000 and the Child Nutrition programs. Pertaining to "JobReady," the State's school-to-work initiative located in the N.C. Department of Commerce, an implementation grant totaling \$30 million over the period 1995-2000 is used to help State and local communities define schools' roles in preparing students for the workforce and lifelong learning. This is not a separate program, but rather money available for a limited time period for "one-time" activities (e.g., community surveys, curriculum development). There is no matching requirement to school-to-work grants, either at the State or local levels. However, after the year 2000 when federal funding ceases, the question arises as to whether a significant amount of additional state or local tax dollars will be requested to continue the programs?

The State's current educational plan, known as the ABC Plan, was developed by the School Improvement Panel, which is funded by Goals 2000. While school systems are already receiving "points" for moving students from the general track to the college prep or college tech-prep tracks, the State Board of Education is about to consider formal elimination of the general track, in which 39% of the State's 1997-98 graduates are enrolled. To date, the Department of Public Instruction (DPI) has not performed a cost analysis of what will happen if the general track is eliminated. This includes answers to such questions as how this will effect the poorer school systems in terms of transportation and additional hiring costs, how many of the 9 clusters (with approximately 30 courses per cluster) identified within the college tech-prep track can be offered within each school system, and what will happen to students who change clusters when the academic and vocational curricula are integrated. These issues become especially important because most of those in the general track will probably enter the college tech-prep track, simply to keep their options open (see Attachment 3). There has also been no substantive discussion by the State Board regarding school-to-work, even though the performance standards of DPI's workforce development education have been aligned with those of JobReady.

2) Concerning an examination of potential State and local duplication of federal programs (including cost analysis), there appears to be no duplication. However, there does appear to be a fragmentation of effort pertaining to the school-to-work initiative. While it is clear from JobReady documents that this system will have a significant impact upon the State's schools, there is no one accountable for the formal integration of these efforts with the efforts of DPI's workforce development education and the efforts of the community

college system. As indicated above, the State Board of Education has not even held substantive discussions about school-to-work.

3) Regarding a specific analysis of contracts awarded with federal grant funds or contracts related to federal grants programs using State funds, see Attachments 4 and 5 pertaining to Goals 2000 and the Child Nutrition programs. Concerning JobReady, 80% of the funds in the first and second years of implementation were awarded to local partnerships of educators, employers, parents and others across the State. During the third, fourth and fifth years of implementation, at least 90% of the funds are awarded to local partnerships. The remaining money is used for statewide activities, such as workshops or evaluation studies, and for state level administration. See Attachments 6 and 7 for a list of all contracts and subgrants. When the Committee looked at the State's application to, and contract with, the U.S. Department of Labor, there were various requirements, which the Committee believed should be voluntary (see Attachments 8 and 9). JobReady spokesman Wayne Daves expressed his appreciation for the Committee's concerns. Amendments to the state's application for federal school-to-work funds were made and were accepted by the U.S. Department of Labor. The Committee has suggested additional amendments, which the State JobReady Partnership Council will consider at its next meeting.

The Committee reacted favorably to the administration of contracts in the Child Nutrition program, but pertaining to Goals 2000 the Committee questioned the appearance of irregularities or conflicts of interest. For example, Attachment 10 is a letter from Ken Eudy of Capital Strategies (which handled the publicity for the ABC education initiative), regarding bids for a \$645,000 contract (Goals 2000 funds) to develop and implement a broad-based communications and public engagement plan to expand public dialogue about and build confidence in North Carolina schools.

4) Regarding identification of the number of positions and salaries related to the grants including the amount of manpower used to administer federal grants at the state level, total funds expended for the administration/leadership of the Goals 2000 program at DPI and the local education agencies is included in Attachment 1. In FY 1997-98, DPI employed 4 positions from Goals 2000 resources. Pertaining to the Child Nutrition program, in FY 1997-98 DPI employed 15.5 positions from child nutrition resources. The State funds 9 positions (\$420,112) and the federal grant funds 6.5 positions (\$301,680). Concerning JobReady, 5.5 FTE positions are paid for at the state level to administer the grant (both the State and local partnerships have a 10% administrative cost cap, and the total grant is for \$30 million over 5 years).

5) Regarding the grant process, including criteria, application review, grant awarding and grant monitoring as they apply to Goals 2000 and the Child Nutrition program, see Attachments 1 and 2. Pertaining to JobReady, local partnerships are awarded planning or implementation grants through a competitive RFP process. The RFPs include specific selection criteria for local partnerships to address, although the partnerships are encouraged to focus their activities around local priorities and needs. Interagency teams of readers read the grant proposals and make recommendations to the State JobReady Partnership Council, which awards the grants. Grants are monitored through on-site visits and annual applications for renewal of funding.

While under contract to use Goals 2000 funds only as it applies to Title III of that legislation, which pertains to state and local education systemic improvement, the Committee did express a concern about potential indirect obligations under other Titles, for example Title V pertaining to the National Skill Standards Board (NSSB). This is because the state's JobReady application mentioned measuring the progress of every student using skill certificates recognized by the NSSB, and it indicated that the state will assist in developing model curricula "consistent with academic and skill standards established pursuant to the Goals 2000: Educate America Act and the National Skill Standards Act of 1994." The School-to-Work Opportunities Act of 1994 contains a number of mandates which could impact the state if the forthcoming amendments to the JobReady contract are not accepted by the U.S. Department of Labor. While the Committee expressed its strong support for voluntary vocational initiatives, as well as for the Child Nutrition program, there was great concern over the potential for "federal strings" attached to the federal grants, including Goals 2000 funds.

6) Concerning an examination of the legal issues surrounding federal grants to K-12 education including constitutional issues and the authority of the General Assembly in relationship to federal grants to K-12 education, the budgets established for the grants for Goals 2000, the Child Nutrition program, and JobReady were based on the grant requirements as specified by the federal government. State agencies have often been given a blank check by the General Assembly in this regard (e.g., 1997 state budget, section 7.1 of S.L. 1997-443). However, it is the opinion of Gerry F. Cohen, Director of Legislative Drafting, that "the General Assembly DOES have the power to decide if federal funds are to be spent, under the authority of Article 5, Section 7 of the North Carolina Constitution." Mr. Cohen further states:

"It is important to note that there is a big distinction between applying for a grant and expending it. For example, Section 203(a) of the School-to-Work Opportunities Act of 1994, Public Law 103-239 states that the Governor is to apply for the grant. Nevertheless, Section 204 makes it clear that the application is submitted 'by a State.' It is not the Governor's personal application. Under our State constitution, the Executive branch carries out executive functions of applying for the funds and administering them. The General Assembly as the legislative branch decides whether the funds are to be spent." (See Attachment 11.)

7) Pertaining to the identification of conflicts between federal grants and State statutory provisions, there appears to be none with respect to the Child Nutrition program. Regarding school-to-work, the Committee was pleased to hear State Board chairman Phil Kirk testify that "As long as I am chairman, we will not be bullied by the federal government into doing things we don't think are right for our children." Relevant to fragmentation of effort mentioned earlier, however, the Committee is still concerned about federal contracts with agencies other than DPI (e.g., the Department of Commerce's contract for JobReady) that can have a significant impact upon education in the state, and over which the State Board of Education does not have an automatic veto. Regarding Goals 2000, there is evidence that despite the General Assembly's repeal of outcome-based education in 1995, this type of education is being funded in the state with Goals 2000 funds.

For any members of the General Assembly who are interested in the investigations carried out by the Committee, the Minutes of the Committee's hearings are available. After conducting these hearings, it is the sense of the Committee that since the total of federal grant dollars (not just those for education) coming into the state equals about 60% of the funds appropriated by the state budget, it would be prudent for the General Assembly at least to have a report regarding these federal funds when the legislature prepares its own budget.

In this regard, the following special provision is proposed for the 1998 short session of the legislature concerning the budget:

The budget officer shall henceforth include all federal and foundation monies received and anticipated by state agencies as part of the budget request, showing for each budgetary category the total received and anticipated state, federal and foundation expenditure, along with a description of the purpose for which the federal and foundation funds will be spent at the program level. ("Federal and foundation monies" is defined as any financial assistance made to a state agency by the United States government, or by a private foundation, whether a loan, grant, subsidy, augmentation, reimbursement, or in any other form.)

A second recommendation is based upon the Committee hearing of May 4, where Mr. Tom Blanford, a member of the National Board for Professional Teaching Standards (which is covered in Goals 2000, Section 1013) and Director of the Teachings Standards Commission in North Carolina, testified. He indicated that there has not yet been a study of whether national teacher certification has improved students' academic performance. Since the state legislature has been asked to appropriate a large amount of additional tax dollars to nationally certify teachers here (Gov. Hunt has proposed their salaries be raised by 15% in the coming years), it is recommended that such a study be performed, and that it include a pre- and post-national certification analysis of these teachers' records to ascertain whether it was national certification itself that improved students' academic performance. Otherwise, the state could simply reward its best teachers according to the state's own criteria for teaching excellence.

House Select Committee on Federal Education Funding Program Review Form

Program Name/Purpose

Goals 2000: Educate America Act

The purpose of this program is to improve teaching and learning through long-term and broad-based efforts so that students will obtain levels of high performance.

Program Description

Program Administration

The U.S. Department of Education awards funds to the State Board of Education (SBE). The funding is initiated from an application submitted by the State Board of Education through the Office of Education Reform which administers the program for the North Carolina Department of Public Instruction. The application identifies how North Carolina will use the funds to support the ABCs reform initiatives. Goals 2000 supports state and community efforts to develop and implement challenging academic content standards, student performance standards and assessments, and plans for improving teacher training which are all integral parts of the ABCs.

Part of the federal allotment is based on North Carolina's children (ages 5-17) that live in poverty (as measured by the federal Improving America's School Act Title I Basic Grant). The remaining portion is based on the number of students attending North Carolina's public schools. The state receives the funds at the beginning of each state fiscal year and can use the funds for 27 months. The July 1, 1998, grant is the final appropriation under the current law before it expires and has to be reauthorized. The President is expected to seek reauthorization in the next Congress.

Local education agencies (LEAs) can apply individually or in consortiums to receive funding from the State Board of Education.

Federal Statutory and Regulatory Citations

Goals 2000: Educate America, Title III, 20 USC 5881-5899
Education Department Administrative Regulations, 34 CFR Part 76, 77, 79, 80, 81, 82, 85 and 86.

State Statutory and Regulatory Citations

N/A

Federal Matching Requirements

N/A

Federal Maintenance of Effort Requirements (*Funding to Local System only*)

According to the U.S. Education Department General Administrative Regulations, (EDGAR) Part 81.32, Subpart B, the combined fiscal effort of each individual local education agency and the State must be no less than ninety percent of the combined fiscal effort for the second preceding fiscal year.

Description of Allocation Formulas**Federal to State:**

The State Board of Education shall submit an application to the Secretary of the U.S. Department of Education in order to receive funding under this title. Six percent of funding will be distributed on a discretionary basis to outlying areas to benefit Indian and Alaskan Native students and for national leadership activities. The Secretary of the U.S. Department of Education shall allot ninety-four percent to States as follows:

- (1) Fifty percent will be allocated based on the amount each State receives under part A of Title I of the Improving America's Schools Act of 1994 for the preceding fiscal year. Title I funding is based on the number of poor children age five through seventeen as identified by the U.S. Department of Education, Office of the Assistant Secretary for Research and Improvement.
- (2) Fifty percent will be allocated based on the amount each State receives under part A of Title VI of the Improving America's Schools Act of 1994 for the preceding fiscal year. Title VI funding is based on the number of children aged five through seventeen.

State to Local:

Ninety percent of the allocation received from the U.S. Department of Education will be subgrants to LEAs. Grants will be made to LEAs or consortia of LEAs based on a competitive process in which the State Board approves the application and selection process.

Description of the State Level Application, Award, and Grant Monitoring Process**State Level Application**

The Goals 2000 Act provides States and communities with a voluntary opportunity to strengthen and broaden their reform efforts by developing coordinated flexible, grassroots-based education plans to enable children to obtain levels of high performance. The State Level Application contains strategies that incorporate the ABCs as adopted by the State Board of Education. The State Level Application must demonstrate a clear understanding of the educational needs and goals of the State. The context in which the application will be implemented, must present a comprehensive vision of the education system the State believes is

necessary to help children reach challenging academic standards, and describe a coherent set of strategies for accomplishing the State's vision over several years.

A local educational agency desiring to receive a subgrant shall submit an application to the SEA. Such application shall contain assurances that the LEA intends to develop a local improvement plan aligned with the state plan that meets the requirements of this grant.

Award from the U.S. Department of Education

Grants are awarded each State fiscal year and are released upon the review and approval of the State Application by the U.S. Department of Education. The obligation period is a 15 month period from July 1 through September with a one year carryover provision. At least ninety percent of awards to the SBE must be used to make subgrants to LEAs for the implementation of the State and local improvement plans and to improve educator preservice programs and for professional development activities. In North Carolina, the SBE is targeting these funds to facilitate the State's ABCs reform initiatives. The remaining ten percent is use for the State activities designed to implement State improvement plans such as supporting the development or adoption of State content and performance standards for children and assessments linked to such standards; the implementation of high-performance management strategies; reform of standards; building partnerships in the community to foster school improvement; and various other options that the State and localities choose to improve teaching and learning of students. For receipt of funds, a State panel representing constituents and stakeholders is required. States must also develop strategies for grassroots, broad based input into the State's plan for reform.

Grant Monitoring Process

Local evaluation is an important aspect of each grant. From the State level, a review process is conducted by a panel of educators, N.C. Department of Public Instruction staff, and State panel representatives. The review team examines evidence of progress and accomplishments based on the goals and objectives of the application. Grantees will self-assess through this process and make adjustments as appropriate. This method will enhance local accountability, increase learning, and reduce paperwork, and assist in the successful implementation of the ABCs reform initiatives. The N.C. Department of Public Instruction will communicate to the panel the progress of the grantees and will submit annual reports to the U.S. Department of Education as required.

Local Administration Costs

	FY 1994-95 Expended	FY 1995-96 Expended	FY 1996-97 Expended	FY 1997-98 Budgeted
Expenditures \$	0	\$36,843.06	\$183,715.57	\$111,205.96

Goals 2000: Educate America Act

Breakdown of Fiscal Year Budgets and Expenditures

	FY 1994-95		FY 1995-96		FY 1996-97		FY 1997-98 (1/31/98)	
	Budget	Expended	Budget	Expended	Budget	Expended	Budget	Expended
State Administration and State Leadership:								
Personnel Cost	\$0	\$0	\$227,637	\$148,883	\$234,350	\$232,471	\$248,900	\$130,822
Purchased Services	124,458	945	300,514	95,535	109,492	57,178	226,995	50,991
Office Support	128,137	12,845	249,420	53,673	117,411	62,795	102,805	17,962
Equipment	41,498	572	227,095	35,827	51,165	9,300	63,924	14,452
Indirect Cost	86,400	6,458	77,006	63,287	89,618	67,164	159,461	34,868
Contracts	155,000	11,634	342,649	189,755	963,356	392,726	812,057	54,952
Non-Educational Grants	0	0	0	0	0	0	10,000	10,000
Educational Grants	0	0	0	0	0	0	150,000	150,000
Total	\$535,493	\$32,454	\$1,424,321	\$586,960	\$1,565,392	\$821,634	\$1,774,142	\$464,047
<i>Carryover into Next Year</i>		\$503,039		\$837,361		\$743,758		
Allotments to LEAs	\$1,526,746	n/a	\$6,218,783	n/a	\$4,196,523	n/a	\$10,328,611	n/a
Unallotted	0		751,796		3,107,555		2,052,373	
Total	\$1,526,746		\$6,970,579		\$7,304,078		\$12,380,984	
<i>Carryover into Next Year</i>		\$0		\$751,796		\$3,107,555		
Total Available Funds	\$2,062,239		\$8,394,900		\$8,869,470		\$14,155,126	

Personnel Cost: Includes salaries, employee benefits, and compensation to board members.

Purchased Services: Includes food service agreements, operational services, and staff travel.

Office Support: Includes telephone, postage, printing, advertising, various services/fees, general supplies, and other administrative expenses.

Indirect Cost: Transfer line-item to the State Budget Office. Based on a rate approved by the federal Dept. of Education.

Equipment: Includes office and computer equipment.

Contracts: Includes academic services and personal services contracts.

Non-Educational Grants: Includes other grants and aids to non-educational agencies.

Educational Grants: Includes other grants and aids to educational agencies.

Carryover into Next Year: Unexpended administration/leadership funds available for expenditure in the next State fiscal year.

Allotments to LEAs: Funds appropriated by the State Board of Education to LEAs based on LEA submitted applications.

Unallotted: Funds available to the State Board of Education to appropriate to LEAs.

Funding Summary: Goals 2000 / School Improvement Grant

LEA #	LEA Name	FY 1994-95	FY 1995-96	FY 1996-97	FY 1997-98	Total
010	Alamance Co.		\$150,000		\$75,000	\$225,000
020	Alexander Co.	\$146,980	200,000		150,000	496,980
030	Alleghany Co.					0
040	Anson Co.	75,000	75,000		145,500	295,500
050	Ashe Co.					0
060	Avery Co.			\$3,539	78,574	82,113
070	Beaufort Co.		73,400	69,500	75,000	217,900
080	Bertie Co.		175,000	74,380	78,574	327,954
090	Bladen Co.		75,000	73,755	4,472	153,227
100	Brunswick Co.				75,000	75,000
110	Buncombe Co.				75,000	75,000
111	Asheville City				71,830	71,830
120	Burke Co.		70,000	65,736	140,736	276,472
130	Cabarrus Co.		75,000	5,542	4,115	84,657
132	Kannapolis City		74,900	70,500	141,000	286,400
140	Caldwell Co.			4,634	4,115	8,749
150	Camden Co.					0
160	Carteret Co.		75,000	70,500	145,500	291,000
170	Caswell Co.		75,000	70,500	75,000	220,500
180	Catawba Co.					0
181	Hickory City		149,995	141,000	141,000	431,995
182	Newton-Con. City		75,000	70,500	75,000	220,500
190	Chatham Co.				73,895	73,895
200	Cherokee Co.					0
210	Chowan Co.		75,000	57,600	75,000	207,600
220	Clay Co.					0
230	Cleveland Co.	120,480	275,000		283,500	678,980
231	Kings Mtn City					0
232	Shelby City					0
240	Columbus Co.	150,000		75,000	75,000	300,000
241	Whiteville City			3,623	3,574	7,197
250	Craven Co.			5,271	79,115	84,386
260	Cumberland Co.		74,631	234,370	541,194	850,195
270	Currituck Co.				75,000	75,000
280	Dare Co.		75,000	70,500	140,500	286,000
290	Davidson Co.				75,000	75,000
291	Lexington City	150,000	200,000			350,000
292	Thomasville City					0
300	Davie Co.				110,811	110,811
310	Duplin Co.		58,143	70,500	75,000	203,643
320	Durham Co.		40,879			40,879
330	Edgecombe Co.		74,788			74,788
340	Forsyth Co.	60,945	160,945	10,087	177,023	409,000
350	Franklin Co.					0
360	Gaston Co.				70,771	70,771
370	Gates Co.	149,938		(1,273)		148,665
380	Graham Co.		53,190		53,190	106,380

Funding Summary: Goals 2000 / School Improvement Grant

LEA #	LEA Name	FY 1994-95	FY 1995-96	FY 1996-97	FY 1997-98	Total
390	Granville Co.		75,000	151,116	156,332	382,448
400	Greene Co.				200,000	200,000
410	Guilford Co.		75,000	70,500		145,500
420	Halifax Co.	75,000		30,000	75,000	180,000
421	Roanoke Rapids City				75,000	75,000
422	Weldon City		75,000	174,200	219,700	468,900
430	Harnett Co.					0
440	Haywood Co.		75,000	74,149	149,972	299,121
450	Henderson Co.		64,553	60,931		125,484
460	Hertford Co.		74,050	18,000		92,050
470	Hoke Co.	75,000	75,000		255,425	405,425
480	Hyde Co.				304,000	304,000
490	Iredell Co.		37,000	34,780	75,000	146,780
491	Mooreville City		72,500	74,244	144,574	291,318
500	Jackson Co.			3,792	3,574	7,366
510	Johnston Co.		275,000	264,289	267,115	806,404
520	Jones Co.		74,000	73,848	149,074	296,922
530	Lee Co.	74,712	75,000		70,500	220,212
540	Lenoir Co.		74,620	70,500	70,500	215,620
550	Lincoln Co.			4,140	279,472	283,612
560	Macon Co.					0
570	Madison Co.		75,000	70,500	140,312	285,812
580	Martin Co.		75,000	70,500	37,500	183,000
590	McDowell Co.		100,000		169,000	269,000
600	Mecklenburg Co.	75,000	75,000		75,000	225,000
610	Mitchell Co.		75,000	70,500	70,500	216,000
620	Montgomery Co.		75,000	70,500	145,500	291,000
630	Moore Co.		75,000	70,500	268,000	413,500
640	Nash Co.		73,519	275,548	270,485	619,552
650	New Hanover Co.		66,819	67,734	70,061	204,614
660	Northampton Co.		75,000	34,500		109,500
670	Onslow Co.		191,000	76,984	258,063	526,047
680	Orange Co.					0
681	Chapel Hill City				199,351	199,351
690	Pamlico Co.	73,898	75,000		145,500	294,398
700	Pasquotank Co.					0
710	Pender Co.				75,000	75,000
720	Perquimans Co.		75,000	33,438	78,574	187,012
730	Person Co.					0
740	Pitt Co.		75,000	70,500	70,500	216,000
750	Polk Co.		75,000	70,500	83,000	228,500
760	Randolph Co.					0
761	Asheboro City					0
770	Richmond Co.		75,000	70,500	145,500	291,000
780	Robeson Co.	150,000	200,000	6,145	82,950	439,095
790	Rockingham Co.		75,000	70,500	75,000	220,500
800	Rowan Co.		74,619	6,222	74,615	155,456

Funding Summary: Goals 2000 / School Improvement Grant

LEA #	LEA Name	FY 1994-95	FY 1995-96	FY 1996-97	FY 1997-98	Total
810	Rutherford Co.					0
820	Sampson Co.		150,000	141,000	151,000	442,000
821	Clinton City					0
830	Scotland Co.		75,000	70,500	338,788	484,288
840	Stanly Co.				75,000	75,000
850	Stokes Co.					0
860	Surry Co.		250,000	188,000	188,000	626,000
861	Elkin City			3,241	3,574	6,815
862	Mt. Airy City			3,453	3,574	7,027
870	Swain Co.	74,793	75,000			149,793
880	Transylvania Co.		62,000			62,000
890	Tyrrell Co.			150,000		150,000
900	Union Co.		75,000	(9)	141,000	215,991
910	Vance Co.				200,000	200,000
920	Wake Co.		73,236	70,500	145,500	289,236
930	Warren Co.					0
940	Washington Co.			3,595	78,574	82,169
950	Watauga Co.		74,996		141,506	216,502
960	Wayne Co.			6,231	4,115	10,346
970	Wilkes Co.				177,227	177,227
980	Wilson Co.	75,000	75,000	4,688	149,615	304,303
990	Yadkin Co.					0
995	Yancey Co.		75,000	70,000	37,500	182,500
	Total	\$1,526,746	\$6,218,783	\$4,196,523	\$10,328,611	\$22,270,663

**HOUSE SELECT COMMITTEE ON FEDERAL EDUCATION FUNDING
PROGRAM REVIEW FORM**

Program Name

National School Lunch Program (NSLP), School Breakfast Program (SBP), and Special Milk Program (SMP); nationally administered by the United States Department of Agriculture.

Program Description

The NSLP and SBP, through cash grants and donated commodity foods, makes available to the school children of North Carolina nutritional breakfast and lunch meals. The Special Milk Program encourages the consumption of milk by children in schools (grades K-12), settlement houses, summer camps, and similar nonprofit institutions (such as the Department of Health and Human Services), who do not otherwise participate in another meal service program.

Federal Statutory and Regulatory Citations

National School Lunch and School Breakfast Programs:

Child Nutrition Act of 1966; 7 CFR Part 220 (School Breakfast Program)
National School Lunch Act of 1946; 7 CFR Part 210

Special Milk Program: Child Nutrition Act of 1966; 7 CFR Part 215

State Statutory and Regulatory Citations

115c-263 and 264 of the General Statutes of NC

Total Funding - Expended/Budgeted

	FY 1994-95 (Expended)	FY1995-96 (Expended)	FY1996-97 (Expended)	FY1997-98 (Budgeted)
Federal	\$201,242,114	\$163,671,310	\$182,415,638	\$209,206,205
State	\$13,014,352	\$8,938,209	\$7,256,726	\$7,280,503 *
Local (Receipts)	\$188,448,421	\$194,375,920		

* Funds are not budgeted separately, but rather through Central Office Administration. The amount shown represents the minimum matching requirement.

Federal Matching Requirements

The State may not provide less than 30 percent of the funds received under Section 4 of the National School Lunch Act during the school year beginning July 1, 1980, nor will the costs expended for salaries and other administrative expenses be included. This cost is determined by USDA each fiscal year as depicted below:

FY1994-95	FY1995-96	FY1996-97	FY1997-98
\$7,159,637	\$7,200,311	\$7,223,357	\$7,280,503

Federal Maintenance of Effort Requirements

State expenditures for all nutritional programs annually shall not be less than that expended or obligated for those programs in fiscal year 1977, which is \$359,383.

Description of Allocation Formulas

Federal to State: Entitlement - based on prior year expenditures, increases in the pre-established federal rate for each program and the anticipated increase in participation.

State to Local: Participation - determined by student consumption multiplied against the federal rate for each particular type of meal.

Description of the State Level Application, Award, and Grant Monitoring Process

State Administrative Expense (SAE) Plan, until this federal fiscal year, was submitted to USDA annually. Currently, the SAE plan is amended as needed according to USDA policy. With plan approval, a quarterly letter of credit is awarded, from which funds are drawn. Grant monitoring is accomplished by the accounting staff within DPI, and by Child Nutrition Consultants, who travel to various school districts to conduct training, resolve audit findings, and to monitor compliance with applicable program regulations.

State Administrative Costs

	FY1994-95 (Expended)	FY1995-96 (Expended)	FY1996-97 (Expended)	FY1997-98 (Budgeted)
*Federal:	\$956,414	\$1,175,831	\$1,098,286	\$1,469,050
*State:	\$266,559	\$423,040	\$400,131	\$420,112

* Expenditures are shown by State fiscal year, not by grant year.

Local Administrative Costs

	FY1994-95 (Expended)	FY1995-96 (Expended)	FY1996-97 (Expended)	FY1997-98 (Budgeted)
Expenditures	\$12,855,796	\$12,431,710	\$8,977,418	*

* Funds are not budgeted separately, but rather through Central Office Administration.

1997-98 Free and Reduced Lunch Data
October 1997

LEA #	LEA Name	Allotted ADM	Reduced		Free		Total Needy	
			Applications	Percent	Applications	Percent	Applications	Percent
010	Alamance-Burlington Schools	19,240	1,541	8.0%	5,186	27.0%	6,727	35.0%
020	Alexander County	5,160	301	5.8%	1,010	19.6%	1,311	25.4%
030	Alleghany County	1,471	170	11.6%	416	28.3%	586	39.8%
040	Anson County	4,511	515	11.4%	2,329	51.6%	2,844	63.0%
050	Ashe County Schools	3,404	465	13.7%	1,140	33.5%	1,605	47.2%
060	Avery County Schools	2,433	306	12.6%	957	39.3%	1,263	51.9%
070	Beaufort County	7,523	583	7.7%	3,134	41.7%	3,717	49.4%
080	Bertie County	3,853	574	14.9%	2,561	66.5%	3,135	81.4%
090	Bladen County	5,767	534	9.3%	2,855	49.5%	3,389	58.8%
100	Brunswick County	9,750	832	8.5%	3,428	35.2%	4,260	43.7%
110	Buncombe Co./Child Nutrition	24,704	1,620	6.6%	5,387	21.8%	7,007	28.4%
111	Asheville City	4,442	207	4.7%	1,639	36.9%	1,846	41.6%
120	Burke County	13,839	1,253	9.1%	3,798	27.4%	5,051	36.5%
130	Cabarrus County Schools	17,044	803	4.7%	2,996	17.6%	3,799	22.3%
132	Kannapolis City	4,034	383	9.5%	1,385	34.3%	1,768	43.8%
140	Caldwell County	11,996	972	8.1%	4,006	33.4%	4,978	41.5%
150	Camden County	1,188	124	10.4%	264	22.2%	388	32.7%
160	Carteret County	8,542	866	10.1%	2,263	26.5%	3,129	36.6%
170	Caswell County	3,633	286	7.9%	1,211	33.3%	1,497	41.2%
180	Catawba County Schools	15,052	1,016	6.7%	2,399	15.9%	3,415	22.7%
181	Hickory City	4,246	303	7.1%	1,662	39.1%	1,965	46.3%
182	Newton-Conover Schools	2,682	232	8.7%	762	28.4%	994	37.1%
190	Chatham County	6,744	452	6.7%	1,619	24.0%	2,071	30.7%
200	Cherokee County Schools	3,551	455	12.8%	1,253	35.3%	1,708	48.1%
210	Chowan County	2,534	195	7.7%	1,228	48.5%	1,423	56.2%
220	Clay County	1,273	142	11.2%	321	25.2%	463	36.4%
230	Cleveland County	8,988	476	5.3%	2,406	26.8%	2,882	32.1%
231	Kings Mountain Dist. Schools	4,244	321	7.6%	1,247	29.4%	1,568	36.9%
232	Shelby City	3,441	211	6.1%	1,794	52.1%	2,005	58.3%
240	Columbus County	7,576	855	11.3%	4,089	54.0%	4,944	65.3%
241	Whiteville City	2,838	249	8.8%	1,364	48.1%	1,613	56.8%
250	Craven County Schools	15,090	1,851	12.3%	5,036	33.4%	6,887	45.6%

1997-98 Free and Reduced Lunch Data
October 1997

LEA #	LEA Name	Allotted ADM	Reduced		Free		Total Needy	
			Applications	Percent	Applications	Percent	Applications	Percent
260	Cumberland County	51,716	6,580	12.7%	19,515	37.7%	26,095	50.5%
270	Currituck County	3,093	231	7.5%	731	23.6%	962	31.1%
280	Dare County	4,500	393	8.7%	710	15.8%	1,103	24.5%
290	Davidson County	18,429	966	5.2%	2,852	15.5%	3,818	20.7%
291	Lexington City	3,203	287	9.0%	1,656	51.7%	1,943	60.7%
292	Thomasville City Cafeteria	2,362	303	12.8%	1,342	56.8%	1,645	69.6%
300	Davie County	5,175	253	4.9%	821	15.9%	1,074	20.8%
310	Duplin County	8,468	679	8.0%	3,827	45.2%	4,506	53.2%
320	Durham Public Schools	29,221	1,839	6.3%	10,161	34.8%	12,000	41.1%
330	Edgecombe County	7,927	945	11.9%	3,953	49.9%	4,898	61.8%
340	Winston Salem/Forsyth	41,890	1,956	4.7%	12,506	29.9%	14,462	34.5%
350	Franklin County	7,161	675	9.4%	2,647	37.0%	3,322	46.4%
360	Gaston County	29,745	2,035	6.8%	7,516	25.3%	9,551	32.1%
370	Gales County Bd of Education	2,004	210	10.5%	823	41.1%	1,033	51.5%
380	Graham County	1,236	173	14.0%	392	31.7%	565	45.7%
390	Granville County Schools	7,689	695	9.0%	2,605	33.9%	3,300	42.9%
400	Greene County	2,928	272	9.3%	1,575	53.8%	1,847	63.1%
410	Guilford County Schools	59,765	4,246	7.1%	19,037	31.9%	23,283	39.0%
420	Halifax County	6,369	671	10.5%	5,210	81.8%	5,881	92.3%
421	Roanoke Rapids City	3,157	214	6.8%	999	31.6%	1,213	38.4%
422	Weldon City	1,200	117	9.8%	792	66.0%	909	75.8%
430	Harnett County	15,174	1,753	11.6%	5,497	36.2%	7,250	47.8%
440	Haysood County	7,643	511	6.7%	1,970	25.8%	2,481	32.5%
450	Henderson Co. Public Sch	11,559	702	6.1%	2,672	23.1%	3,374	29.2%
460	Hertford County	4,327	424	9.8%	3,249	75.1%	3,673	84.9%
470	Hoke County	5,922	884	14.9%	2,835	47.9%	3,719	62.8%
480	Hyde County	802	95	11.8%	366	45.6%	461	57.5%
490	Iredell-Statesville Schools	15,186	1,191	7.8%	3,623	23.9%	4,814	31.7%
491	Mooresville City	3,491	227	6.5%	627	18.0%	854	24.5%
500	Jackson County	3,565	326	9.1%	1,036	29.1%	1,362	38.2%
510	Johnston County	18,287	1,354	7.4%	5,131	28.1%	6,485	35.5%
520	Jones County	1,535	253	16.5%	958	62.4%	1,211	78.9%

1997-98 Free and Reduced Lunch Data
October 1997

LEA #	LEA Name	Allotted ADM	Reduced		Free		Total Needy	
			Applications	Percent	Applications	Percent	Applications	Percent
530	Lee County	8,765	723	8.2%	2,912	33.2%	3,635	41.5%
540	Lenoir County	10,300	723	7.0%	4,155	40.3%	4,878	47.4%
550	Lincoln County	9,894	727	7.3%	2,179	22.0%	2,906	29.4%
560	Macon County	4,074	418	10.3%	1,104	27.1%	1,522	37.4%
570	Madison County	2,567	282	11.0%	835	32.5%	1,117	43.5%
580	Marlin County	5,029	440	8.7%	2,435	48.4%	2,875	57.2%
590	McDowell County	6,204	419	6.8%	1,449	23.4%	1,868	30.1%
600	Charlotte Mecklenburg	96,120	5,670	5.9%	30,734	32.0%	36,404	37.9%
610	Mitchell County	2,376	119	5.0%	1,014	42.7%	1,133	47.7%
620	Montgomery County	4,332	376	8.7%	1,833	42.3%	2,209	51.0%
630	Moore County	10,446	781	7.5%	3,260	31.2%	4,041	38.7%
640	Nash-Rocky Mount Schools	17,377	1,431	8.2%	7,584	43.6%	9,015	51.9%
650	New Hanover County	21,692	1,184	5.5%	6,180	28.5%	7,364	33.9%
660	Northampton County	3,891	575	14.8%	2,542	65.3%	3,117	80.1%
670	Onslow County	21,127	2,612	12.4%	5,973	28.3%	8,585	40.6%
680	Orange County Schools	6,026	330	5.5%	1,184	19.6%	1,514	25.1%
681	Chapel Hill City	8,196	265	3.2%	1,086	13.3%	1,351	16.5%
690	Pamlico County	1,856	174	9.4%	705	38.0%	879	47.4%
700	Pasquotank County	6,225	627	10.1%	2,822	45.3%	3,449	55.4%
710	Pender County	6,148	548	8.9%	2,245	36.5%	2,793	45.4%
720	Perquimans County	1,936	267	13.8%	993	51.3%	1,260	65.1%
730	Person Co. Bd of Education	5,686	489	8.6%	1,872	32.9%	2,361	41.5%
740	Pitt Co Bd of Education	19,548	1,248	6.4%	7,465	38.2%	8,713	44.6%
750	Polk County	2,188	168	7.7%	531	24.3%	699	31.9%
760	Randolph County	16,166	1,062	6.6%	3,258	20.2%	4,320	26.7%
761	Asheboro City	4,216	369	8.8%	1,297	30.8%	1,666	39.5%
770	Richmond County	8,339	809	9.7%	3,798	45.5%	4,607	55.2%
780	Robeson County Public Schools	23,405	2,864	12.2%	14,942	63.8%	17,806	76.1%
790	Rockingham County Schools	14,478	1,130	7.8%	3,979	27.5%	5,109	35.3%
800	Rowan-Salisbury Schools	19,737	1,266	6.4%	5,262	26.7%	6,528	33.1%
810	Rutherford County	10,153	831	8.2%	3,299	32.5%	4,130	40.7%
820	Sampson Co. Schools	7,576	875	11.5%	3,495	46.1%	4,370	57.7%

**1997-98 Free and Reduced Lunch Data
October 1997**

LEA #	LEA Name	Allotted ADM	Reduced		Free		Total Needy	
			Applications	Percent	Applications	Percent	Applications	Percent
821	Clinton City	2,570	214	8.3%	1,156	45.0%	1,370	53.3%
830	Laurinburg Scotland County	7,200	742	10.3%	4,603	63.9%	5,345	74.2%
840	Stanly County	9,772	620	6.3%	2,305	23.6%	2,925	29.9%
850	Stokes County	7,087	492	6.9%	1,356	19.1%	1,848	26.1%
860	Surry County	8,051	686	8.5%	1,873	23.3%	2,559	31.8%
861	Elkin City	1,078	33	3.1%	158	14.7%	191	17.7%
862	Mount Airy City	1,991	102	5.1%	529	26.6%	631	31.7%
870	Swain County	1,686	198	11.7%	691	41.0%	889	52.7%
880	Transylvania County	3,983	272	6.8%	828	20.8%	1,100	27.6%
890	Tyrrell County	836	100	12.0%	417	49.9%	517	61.8%
900	Union County	19,711	1,280	6.5%	4,440	22.5%	5,720	29.0%
910	Vance County	7,493	646	8.6%	4,197	56.0%	4,843	64.6%
920	Wake County-Child Nutrition	88,794	3,727	4.2%	16,016	18.0%	19,743	22.2%
930	Warren County	3,231	383	11.9%	1,875	58.0%	2,258	69.9%
940	Washington County	2,613	230	8.8%	1,485	56.8%	1,715	65.6%
950	Watauga County	4,864	364	7.5%	902	18.5%	1,266	26.0%
960	Wayne County	19,443	2,212	11.4%	7,269	37.4%	9,481	48.8%
970	Wilkes County	9,991	817	8.2%	2,716	27.2%	3,533	35.4%
980	Wilson County	11,884	1,009	8.5%	5,508	46.3%	6,517	54.8%
990	Yadkin County	5,573	367	6.6%	1,118	20.1%	1,485	26.6%
995	Yancey County	2,508	269	10.7%	694	27.7%	963	38.4%
Subtotal LEAs		1,221,954	95,118	7.8%	391,337	32.0%	486,455	39.8%

Charter Schools:

#	Name	Allotted ADM	Reduced Applications	Reduced Percent	Free Applications	Free Percent	Total Needy Applications	Total Needy Percent
01A	Lakeside School	53	0	0.0%	0	0.0%	0	0.0%
06A	Grandfather Academy	50	0	0.0%	0	0.0%	0	0.0%
11K	Francine Delany New School	98	8	8.2%	31	31.6%	39	39.8%
14A	Nguzo Saba Charter School	65	9	13.8%	49	75.4%	58	89.2%
18K	Engelmann School of Arts/Sci.	213	0	0.0%	0	0.0%	0	0.0%
19A	Chatham Charter	125	0	0.0%	0	0.0%	0	0.0%
20A	The Learning Center	72	0	0.0%	0	0.0%	0	0.0%

1997-98 Free and Reduced Lunch Data
October 1997

LEA #	LEA Name	Allotted ADM	Reduced		Free		Total Needy	
			Applications	Percent	Applications	Percent	Applications	Percent
32A	Durham Community Charter	89	0	0.0%	0	0.0%	0	0.0%
32B	Healthy Start Academy	194	0	0.0%	0	0.0%	0	0.0%
34A	Lift Academy	225	0	0.0%	0	0.0%	0	0.0%
34B	Quality Education Academy	66	0	0.0%	0	0.0%	0	0.0%
34C	The Downtown Middle School	333	0	0.0%	0	0.0%	0	0.0%
34D	Carter G. Woodson	200	0	0.0%	0	0.0%	0	0.0%
36A	Highland Kindergarten	65	2	3.1%	49	75.4%	51	78.5%
50A	Summit Charter School	138	0	0.0%	0	0.0%	0	0.0%
54A	The Children's Village Academy	117	0	0.0%	0	0.0%	0	0.0%
60A	The Community Charter School	70	0	0.0%	0	0.0%	0	0.0%
63A	MAST School	94	0	0.0%	0	0.0%	0	0.0%
64A	Charter Public School	540	74	13.7%	179	33.1%	253	46.9%
68A	Orange County Charter School	156	0	0.0%	0	0.0%	0	0.0%
68K	Village Charter School	119	0	0.0%	0	0.0%	0	0.0%
68L	School in the Community	102	0	0.0%	0	0.0%	0	0.0%
69A	Arapahoe Charter School	257	0	0.0%	0	0.0%	0	0.0%
74A	Right Step Academy	132	17	12.9%	94	71.2%	111	84.1%
78A	CIS Academy	100	0	0.0%	0	0.0%	0	0.0%
86K	Bridges Charter School	97	5	5.2%	22	22.7%	27	27.8%
92A	Bonner Academy	80	0	0.0%	0	0.0%	0	0.0%
92B	Exploris Middle School	54	0	0.0%	0	0.0%	0	0.0%
92C	John Baker, Jr. High School	25	0	0.0%	0	0.0%	0	0.0%
92D	Magellan Charter School	294	0	0.0%	0	0.0%	0	0.0%
92E	Sterling Montessori Academy	125	0	0.0%	0	0.0%	0	0.0%
96A	Bright Horizons Charter Academy	96	18	18.8%	31	32.3%	49	51.0%
97A	United Children's Ability Nook	65	0	0.0%	0	0.0%	0	0.0%
98A	Sallie B Howard School	309	74	23.9%	192	62.1%	266	86.1%
Subtotal Charter Schools		4,818	207	4.3%	647	13.4%	854	17.7%
Total		1,226,772	95,325	7.8%	391,984	32.0%	487,309	39.7%

**ELIGIBILITY STANDARDS FOR FREE AND REDUCED-PRICE MEALS
EFFECTIVE JULY 1, 1997 - JUNE 30, 1998**

HOUSEHOLD SIZE	YEARLY		MONTHLY		WEEKLY	
	Free	Reduced	Free	Reduced	Free	Reduced
1	10257	14597	855	1217	198	281
2	13793	19629	1150	1636	266	378
3	17329	24661	1445	2056	334	475
4	20865	29693	1739	2475	402	572
5	24401	34725	2034	2894	470	668
6	27937	39757	2329	3314	538	765
7	31473	44789	2623	3733	606	862
8	35009	49821	2918	4152	674	959
9	38545	54853	3213	4572	742	1056
10	42081	59885	3508	4992	810	1153
11	45617	64917	3803	5412	878	1250
12	49153	69949	4098	5832	946	1347
For each household member add:	3536	5032	295	420	68	97

Maximum Reduced Price Breakfast - \$.30

Maximum Reduced Price Lunch - \$.40

6329 IVORY PALM DRIVE, CHARLOTTE NC 28227

477.3

May 7, 1998

To Whom It May Concern:

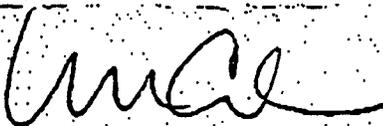
I am writing to you as a concerned parent. It has come to my attention just recently that my daughter, Shannon has completed a career assessment. When asked exactly what it was, she only knew that it would help determine her classes for senior high. I felt it was necessary for me to inquire as to exactly what these tests were for. My findings were that it was a statewide test that is conducted on all rising 8th graders that would help to place them in a career path. I am concerned that this is going on without parent's knowledge as in my case. I was never told that these tests were being conducted or what they were for.

My daughter tested out for Art. I do not want my daughter put into any set pathway. I do not feel that at 13 years of age these decisions should be made for her by anyone other than a parent. My intentions are for my child to have a liberal arts education including college prep and foreign language. I would like for her to be able to attend different AP classes throughout her high school years. I do not want my daughter attending a school with "pathways".

I have contacted my daughter's school so that I can obtain copies of this "career folder" in hopes that I will be able to re-direct the path that appears to have been chosen for her.

Again, I would like to state my concern that tests are being given to our children without the parent's knowledge that will have a direct impact on their education.

Respectfully,



LORRAINE M. COOK

Goals 2000: Educate America Act

FY 1997-98

Academic Services

Contract Amount	Vendor	Description of Services Rendered
\$ 8,000	Opus I Contract #7454	Graphically design and present the annual report of North Carolina's accomplishments in the arena of school reform.
\$ 100,000	North Carolina Center for the Advancement of Teaching Contract #7462	Provide training and assistance to teachers in their preparation for applying for National Board Certification.

Number of Academic Services Contracts	2
Total Contract Dollars for Academic Services	\$ 108,000

Personal Services

Contract Amount	Vendor	Description of Services Rendered
\$ 38,500	Dr. Ken Jenkins Contract #7211	Continue the evaluation design to select and evaluate the School Improvement Grants.
\$ 5,500	James A. Fyock and Associates Contract #7297	Consult with the Office of Education Reform to incorporate to the supplied video (Spot 1) as requested by the State Board of Education; make revisions to the video's format; deliver a final video with revisions; and oversee the production video.
\$ 13,300	Susan Brown Contract #7397	Develop the production ready material for the multimedia presentation of the Annual Goals Report.

Number of Personal Service Contracts	3
Total Contract Dollars for Personal Services	\$ 57,300

Goals 2000: Educate America Act
FY 1997-98

Academic Services

Contract Amount	Vendor	Description of Services Rendered
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Grand Total Number of Contracts	5
Grand Total Contract Dollars	\$ 165,300

Goals 2000: Educate America Act
FY 1996-97

Academic Services		
Contract Amount	Vendor	Description of Services Rendered
\$ 6,100 <i>(amended, original amt was \$3800 (4/4/96); total amended contract is \$9,900.)</i>	Cardinal Associates Contract #6120	Provided additional support to the North Carolina School Improvement Panel Sub-Committees, completed additional writing duties that evolved from the School Improvement Panel Committee; worked with a more extensive role in writing the material used for the committee reports.
\$ 20,250	Dr. Barnett Berry Contract #6373	Carried out Phase II of the evaluation design developed by Dr. Berry to evaluate the School Improvement Grants.
\$ 8,000	Public Schools Forum of North Carolina Contract #6566	Developed interim presentations, reports and plans targeted at specific audiences, including but not limited to legislative and education leaders, educational lay personnel and the general public.
\$ 24,950	Southeastern Regional Vision for Education (SERVE) Contract #6659	Developed Charter Schools' Application; reviewed criteria; created and maintained an applicant database; trained application review team; reviewed applications; made recommendations to Office of Charter Schools; designed and conducted technical assistance sessions; designed and submitted final documents on evaluation report.
\$ 8,000	Public Schools Forum of North Carolina Contract #6663	Developed final documents that present comprehensive descriptions, strategies and recommendations for the education system in perspectives on educational issues.
\$ 4,955	Opus I Graphic Design and Writing Contract #6717	Designed and developed a color concept board for the document; worked directly with writer and formatted text; prepared a black and white draft document for dissemination and feedback; revised and edited document to reflect panel input.
\$ 5,080	Opus I, Inc. Contract #6791	Consulted with the Office of Education Reform to incorporate requested revisions to the supplied document's text and format; made the revisions to the document's text and its format; secured the rights for all photos used in document; formatted an evaluation sheet consistent with the look of the existing document to be delivered to the Office of Education Reform for copying purposes; delivered the final document in the form of camera-ready film, including all scanned images for printing; supplied the Office of Education Reform a copy of the unformatted document on disk; and directed the printing of the document.

Goals 2000: Educate America Act

FY 1996-97

Academic Services

Contract Amount	Vendor	Description of Services Rendered
\$ 16,945	Dr. Barnett Berry Contract #6792	Designed an Impact Survey for determination of grant impact; administered Impact Survey at grantees meeting; developed and refined critical friend model through the evaluation team's follow-up meetings; prepared protocol to analyze Impact Survey and do data analysis; reviewed grant re-applications and made written recommendations on funding; interviewed selected SIG applicants and provided written recommendations; and prepared final report and presented it to the State Board.
\$ 10,000	Quality Academy Contract #6921	Consulted with the Office of Education Reform on effective meeting management; conducted interviews with Executive Council of the NCSIP to determine a strategy for work with the panel; facilitated at least four North Carolina meetings of the Executive Council including the necessary pre/post set-up and materials.
\$ 58,000	Quality Academy Contract #7006	Work with the North Carolina School Improvement Panel, the Executive Steering Committee of the Panel, the State Superintendent of Public Instruction's Agency Coordinating Council and the State Board of Education members; responsible for facilitating all meetings using the conceptual framework of Total Quality Management (TQM) principles, prior Total Quality Education experience at the various strategic levels and a previous education leaders in the application and use of the Malcolm Baldrige criterion to assess and judge the quality of the current systems; create partnerships among the various stakeholders; produce a state level Plan of Work; produce a Coordinated Plan of Work for the Department of Public Instruction; and strategize with top management to design on-going accountability and improvement systems that will result in alignment and better coordination of future work.

Number of Academic Services Contracts	10
Total Contract Dollars for Academic Services	\$ 162,280

Goals 2000: Educate America Act

FY 1995-96

Academic Services

Contract Amount	Vendor	Description of Services Rendered
\$ 13,000	University of Kentucky- Research Ken Olsen Contract # 5982	Consulted with staff and Panel Chair in the design for the work of the panel; planned and facilitated portions of panel meetings and all of the panel retreat; prepared pre and post meeting documents and reports.
\$ 2,000	Think Tech Contract #6048	Created, developed, and produced a visual presentation on the framework developed by the North Carolina School Improvement Panel to describe a comprehensive state system of education.
\$ 15,000	Public Schools Forum of North Carolina Contract #6049	Revised and edited "Together We Can" publication on North Carolina school reform efforts.
\$ 16,000	Dr. Barnett Barry Contract #6119	Developed an Evaluation Design for School Improvement Grants; carried out Evaluation Design for Phase I of the School Improvement Grant awards; prepared an evaluation report to be submitted to the State Board of Education on Phase I grant award assessments; revised evaluation tools used in the assessment based on information gained from the Phase I process.
\$ 3,800	Cardinal Associates Contract #6120	Provided additional support to the North Carolina School Improvement Panel Sub-Committees, completed additional writing duties that evolved from the School Improvement Panel Committee; worked with a more extensive role in writing the material used for the committee reports.
\$ 8,800	Cardinal Associates Contract #6121	Re-scoped the panel committee work and end product; developed timelines; created a template of product and process for each committee to use; and mentored and facilitated committees during and in-between committee meetings.
\$ 1,856	Beverly McGee Contract #6166	Supported the School Improvement Panel Sub-Committee chairs by conducting research on areas as requested by committee chair(s); prepared written summaries on research information as requested; and provided specific assistance to the sub-committee as assigned.
\$ 3,200	Southeastern Region. Vision for Education (SERVE) Contract #6168	Provided 6, one and half hour, breakout sessions; and provided all session materials.

Goals 2000: Educate America Act

FY 1995-96

Academic Services

Contract Amount	Vendor	Description of Services Rendered
\$ 645,000	James A. Fyock and Associates, Inc. Contract #6179	Developed and implemented a broad-based communications and public engagement plan to expand public dialogue about and build confidence in North Carolina Schools.

Number of Academic Contracts	9
Total Contract Dollars for Academic Services	\$ 708,656

Personal Services

8,000	SERVE Contract # 5871	Developed and conducted three 1 1/2 day workshops on preparing a grant in accordance with the NC School Improvement Request for Proposal (RFP); developed and delivered the content of the technical assistance sessions in consultation with the Department of Public Instruction staff, provided all materials for participants and necessary supplies; and planned all logistical arrangements related to the workshops.
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Number of Personal Service Contracts	1
Total Contract Dollars for Personal Services	\$ 8,000

Grand Total Number of Contracts	10
Grand Total Contract Dollars	\$ 716,656

Goals 2000: Educate America Act
 FY 1994-95

Personal Services

Contract Amount	Vendor	Description of Services Rendered
\$ 8,970	The Masonboro Group Contract #5286	Completed tasks associated with development of a Request for Proposal (RFP) for the Goals 2000 subgrant process.

Number of Personal Service Contracts	1
Total Contract Dollars for Personal Services	\$ 8,970

Child Nutrition State Administration Contracts

FY 1996-97

Contract Amount	Vendor	Description of Services Received
\$7,738	The Holt Group	Designed and developed display booth used at statewide and local education agency food service education conferences.
\$21,600	Enterprise Network Services	Training, technical assistance, and computer equipment move and set-up.
\$10,117	National Food Service Management Institute	Developed courses to enhance the knowledge of local directors of child nutrition programs. Examples of programs include, dietary guidelines, presentation of food choices, and how to develop alternative thinking, and supervision in School Lunch and Breakfast.
\$3,693	N2 Health, Inc.	Eight one-hour workshops sponsored in conjunction with the NC School Food Service Association district meetings on human relations at work.
\$1,320	Individual Contracts	Small personal service contracts. Services include the development of software to enhance services and operations at local school systems; special services for individuals requiring assistance (For example: hearing impaired individuals attending workshops); and workshop presenters.
\$18,000	UNC-G	Developed, taught, and certified participants in food service safety and sanitation. UNC-G continues to grade and certify participants.
\$3,500	InTeam Associates	Taught cost control methods and fiscal control practices to child nutrition program directors and managers.
\$3,500	John Bennett Creative Services	Workshops on customer service and the development of sales through customer service.
\$69,468 Total		

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Contracts 97-98 (Since June 1998)

Contract	Contract #	Contract Amount	Agreement Form	Method of Selection	Description
Ron Brown (Impact Resources Group)	MOA 2012-97-07	\$1200	Cost Reimb.	Technical Assistance Requested by local	To assist Washington County with developing a school-to-work partnership and strategic plan.
Blue Ridge Community College	97-STW-IMP-2781-2012-34	\$10,000	Cost Reimb.	Technical Assistance Requested by local	To develop partnership; host summer academy and other training for educators;
NC Department of Labor	PY9798-2012-11	\$60,000	Cost Reimb.	State Agency	To provide training for regional apprenticeship consultants and to develop a handbook on child labor and employer liability issues.
Western Carolina University	PY9798-2012-12	\$5000	Cost Reimb	Competitive	To develop and implement curriculum related to school to work for teacher education program.
Greensboro Area Chamber of Commerce	PY9798-2012-13	\$9,500	Cost Reimb.	Grant Mgmt.	Co-sponsor of JobReady-Tech Prep Conference

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FY 93/94 (School-To-Work Planning Grant)

Contract	Contract #	Contract Amount	Description
NC DOA/Agency for Public Telecommunications	93-425	\$9003.71	Production of video for JobReady
University of Maryland/Center for Learning & Competitiveness	PY 93-94-02	\$6,588.00	Assist in developing international strategy for building a STW system in NC
TechKnowledge Communications, Inc.	PY 93-94-03	\$2,892.61	Public Education Videotape production; write, design, produce booklet
NC AFL-CIO	PY 93-94-06-A	\$10,000	Organize regional conferences; provide staff support; recruit participants, etc.
Salem Company	PY 93-94-06-B	\$33,065	Prepare, conduct and follow-up on the European-American Apprenticeship Symposium; Services for the Education-Workforce Committee of the Comm. For a Competitive NC (Mod. #1) (Mod. #2)
MDC, Inc.	PY 93-94-08	\$40,527	Assist in development of STW transition system for NC; modification in 2/95 of \$10,527--reflected in total
NC Department of Public Instruction	MOA-94-03	\$30,000	NC Academy for Critical Thinking

FY 94/95 (School-To-Work Planning Grant)

Contract	Contract #	Contract Amount	Description
NC DOA/Agency for Public Telecommunications	PCN 94-244	\$1,450	One-hour Satellite video teleconference
NC DOA/Agency for Public Telecommunications	PCN 94-67	\$1500	One-hour Open Public Events Network (10/13/94)
Tech Resource Group	PY 94-95-01	\$4237.50	Install, configure, & support Personal Computer Network; train & support staff, design database for STW clearinghouse
Loretta Martin	PY 94-95-02	\$6,300	Coordinate the development of a state system of STW transition....
Reingold & Associates, Inc.	PY 94-95-04	\$30,000	Assist in writing STW Grant Application; develop working draft; provide finished proposal; preliminary development of strategic plan and communication guide
Governor's Press Office		\$2500 per yr.	Press Releases, etc.
CDS International	PO/22228	\$8180.91	European-American Apprenticeship Symposium
NC DOA/Agency for Public Telecommunications	PCN 94-569	\$1400.08	European-American Symposium Videotaping (2 days)

FY 95/96 (School-To-Work Implementation Grant)

Contract	Contract #	Contract Amount	Description
NC DOA/Agency for Public Telecommunications	PCN 95-237	\$2,500	One hour satellite video teleconference
Salem Company	PY 95-96-03	\$12,560	Plan & facilitate meetings of Task Force; Five Year Professional Development Plan
NC Dept. Of Community College	PY 95-96-05	\$62,000	School-to-Work Coordinator
NC News Area Networks	PY 95-96-06	\$21,375	NCNN will run 30-second commercials promoting JobReady on the 95 stations that subscribe to the Network

FY 96/97 (School-To-Work Implementation Grant)

Contract	Contract #	Contract Amount	Comment
NC DOA/Agency for Public Telecommunications Office of Education Reform/DPI	PCN 96-231	\$1,710	One hour satellite video teleconference
Eva Williams	MOA 97-01	\$10,420	Partnership w/School Improvement Panel to develop and sustain the link between Goals 2000 and school to work.
NC REAL Enterprises	MOA 97-02	\$4,500	Assist staff in planning/conducting JobReady workshops/conferences; technical assistance to JobReady partnerships; review grant proposals, etc.
NCSU/Dewey Adams	MOA 96-04	\$6,000	Workshop for high school teachers & community college faculty; develop instructional material; follow-up
Dru Guffey	MOA 96-06	\$723.05	Summer institute of in-service education for STW Partners through the state
Jane Shoaf	MOA 96-08	\$608.65	Develop a communications module for middle school students that incorporates career info related to the telecommunications industry.
Dan Bruffey Inc.	MOA 96-10	\$2267.00	Give guidance for developing curriculum appropriate for middle grade students in language arts/communications
Dru Guffey	MOA 96-11	\$1075.55	Assist Orange Cty. JobReady Partnership to develop their STW system and conduct one day workshop.
Kyle Gray	MOA 96-12	\$434.10	To compile & finalize curriculum modules with reps from Scholastic Pub. And BellSouth
Anne Squire	MOA 96-13	\$2,249.41	Conduct 1 1/2 hour session on out-of-school youth
Reingold & Associates	MOA 96-14	\$2,652	Plan & develop JobReady system in Hertford County
North Carolina State University	96-1736	\$3,500	Career Major High Schools RFP
			Evaluation of STW for the 15 STW Transition planning grant recipients

FY 97/98 (School-To-Work Implementation Grant)

Contract	Contract #	Contract Amount	Description
Metis Associates	PY 97-98-01	\$179,673	Evaluate NC STW System
Asheville-Buncombe-Madison STW Partnership	PY 97-98-02	\$13,000	Co-sponsor JobReady-Tech Prep Conference
PT CAM	PY 97-98-03	\$80,000	Align secondary/postsecondary metal working curricula w/national skill standards in four pilot sites; develop and implement secondary, postsecondary and existing worker assessments
Dan Bruffey	2012/97-05	\$3500	To create JobReady Partnership in Washington County

Procurement Review Form A

School-to-Work Local Partnership Continuation Proposals 1997 (Year 2)

RFP #	Date/Type Adv.	Date Bidder's Conf	Name of Proposer	Date Proposal Reviewed	Firm Approved and Date	Date Contract Executed	Amount	Contract Number
Continuation Application	Mailed to all existing partnerships October, 1996. Mailed to other contacts in non-participating counties.	11-12-96	Beaufort (School)	3-7-97	3-17-97	7-1-97	\$95,000	97-STW-IMP-2781-2012-01
Continuation Application	See above.	11-12-96	Asheville-Buncombe-Madison (Asheville Area Chamber of Commerce)	3-7-97	3-17-97	7-1-97	\$168,000	97-STW-IMP-2781-2012-02
Continuation Application	See above.	11-12-96	Cabarrus (Co. School)	3-7-97	3-17-97	7-1-97	\$126,000	97-STW-IMP-2781-2012-03
Continuation Application	See above.	11-12-96	Carteret (School)	3-7-97	3-17-97	7-1-97	\$100,000	97-STW-IMP-2781-2012-04
Continuation Application	See above.	11-12-96	Catawba Valley CC	3-7-97	3-17-97	7-1-97	\$160,000	97-STW-IMP-2781-2012-05
Continuation Application	See above.	11-12-96	Mecklenburg (School)	3-7-97	3-17-97	7-1-97	\$210,000	97-STW-IMP-2781-2012-06
Continuation Application	See above.	11-12-96	Cleveland (Co. School)	3-7-97	3-17-97	7-1-97	\$157,297	97-STW-IMP-2781-2012-07
Continuation Application	See above.	11-12-96	Cumberland (Schools)	3-7-97	3-17-97	7-1-97	\$239,000	97-STW-IMP-2781-2012-08
Continuation Application	See above.	11-12-96	Davidson (Co Schools)	3-7-97	3-17-97	7-1-97	\$175,000	97-STW-IMP-2781-2012-09
Continuation Application	See above.	11-12-96	Durham (Schools)	3-7-97	3-17-97	7-1-97	\$185,000	97-STW-IMP-2781-2012-10
Continuation Application	See above.	11-12-96	Edgecombe CC	3-7-97	3-17-97	7-1-97	\$100,000	97-STW-IMP-2781-2012-11
Cont. App.	See above.	11-12-96	Forsyth (Schools)	3-7-97	3-17-97	7-1-97	\$210,000	97-STW-IMP-2781-2012-12
Continuation Application	See above.	11-12-96	Guilford (GTCC)	3-7-97	3-17-97	7-1-97	\$219,592	97-STW-IMP-2781-2012-13

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Continuation Application	See above.	11-12-96	"MAYland" (Avery Co)	3-7-97	3-17-97	7-1-97	\$125,000	97-STW-IMP-2781-2012-14
Continuation Application	See above.	11-12-96	McDowell (Schools)	3-7-97	3-17-97	7-1-97	\$100,000	97-STW-IMP-2781-2012-15
Continuation Application	See above.	11-12-96	Nash (Schools)	3-7-97	3-17-97	7-1-97	\$150,000	97-STW-IMP-2781-2012-16
Continuation Application	See above.	11-12-96	"Northwest" (Wilkes CC)	3-7-97	3-17-97	7-1-97	\$150,000	97-STW-IMP-2781-2012-17
Continuation Application	See above.	11-12-96	Onisow (Schools)	3-7-97	3-17-97	7-1-97	\$140,000	97-STW-IMP-2781-2012-18
Continuation Application	See above.	11-12-96	Pitt (Schools)	3-7-97	3-17-97	7-1-97	\$160,000	97-STW-IMP-2781-2012-19
Continuation Application	See above.	11-12-96	Richmond (Schools)	3-7-97	3-17-97	7-1-97	\$95,000	97-STW-IMP-2781-2012-20
Continuation Application	See above.	11-12-96	Sampson (Co. Schools)	3-7-97	3-17-97	7-1-97	\$100,000	97-STW-IMP-2781-2012-21
Continuation Application	See above.	11-12-96	Scotland (Schools)	3-7-97	3-17-97	7-1-97	\$95,000	97-STW-IMP-2781-2012-22

School-to-Work Local Partnership Implementation Proposals 1997 (Year 2)

RFP #	Date/Type Adv.	Date Bidder's Conf	Name of Proposer	Date Proposal Reviewed	Firm Approved and Date	Date Contract Executed	Amount	Contract Number
96-97 RFP: Planning and Implementation Grants	See above.	11-12-96	Brunswick (Schools)	3-7-97	3-17-97	4-1-97	\$100,000	97-STW-PL-2781-2012-02
96-97 RFP	See above.	11-12-96	Burke (Schools)	3-7-97	3-17-97	4-1-97	\$125,000	97-STW-PL-2781-2012-03
96-97 RFP	See above.	11-12-96	"PASCAM" (Elizabeth City Chamber of Commerce)	3-7-97	3-17-97	4-1-97	\$100,000	97-STW-PL-2781-2012-04
96-97 RFP	See above.	11-12-96	"Far West" (Clay)	3-7-97	3-17-97	4-1-97	\$100,000	97-STW-PL-2781-2012-06
96-97 RFP	See above.	11-12-96	Columbus (Schools)	3-7-97	3-17-97	4-1-97	\$150,000	97-STW-PL-2781-2012-07
96-97 RFP	See above.	11-12-96	Craven (Schools)	3-7-97	3-17-97	4-1-97	\$150,000	97-STW-PL-2781-2012-08
96-97 RFP	See above.	11-12-96	Currituck-Dare (Dare Co. Schools)	3-7-97	3-17-97	4-1-97	\$100,000	97-STW-PL-2781-2012-09
96-97 RFP	See above.	11-12-96	Duplin (Schools)	3-7-97	3-17-97	4-1-97	\$124,744	97-STW-PL-2781-2012-10
96-97 RFP	See above.	11-12-96	Franklin-Vance-Granville-Warren (Vance Co. Schools)	3-7-97	3-17-97	4-1-97	\$200,000	97-STW-PL-2781-2012-11
96-97 RFP	See above.	11-12-96	Gaston (Schools)	3-7-97	3-17-97	4-1-97	\$150,000	97-STW-PL-2781-2012-12
96-97 RFP	See above.	11-12-96	Gates-Perquimans-Chowan (Chowan Co. Schools)	3-7-97	3-17-97	4-1-97	\$120,000	97-STW-PL-2781-2012-13
96-97 RFP	See above.	11-12-96	Greene-Jones-Lenoir (Lenoir Co. Schools)	3-7-97	3-17-97	4-1-97	\$150,000	97-STW-PL-2781-2012-14
96-97 RFP	See above.	11-12-96	Haywood (Schools)	3-7-97	3-17-97	4-1-97	\$100,000	97-STW-PL-2781-2012-15
96-97 RFP	See above.	11-12-96	Iredell (Co. Schools)	3-7-97	3-17-97	4-1-97	\$150,000	97-STW-PL-2781-2012-16
96-97 RFP	See above.	11-12-96	Lee (Schools)	3-7-97	3-17-97	4-1-97	\$100,000	97-STW-PL-2781-2012-19
96-97 RFP	See above.	11-12-96	Lincoln (Schools)	3-7-97	3-17-97	4-1-97	\$130,339	97-STW-PL-2781-2012-20
96-97 RFP	See above.	11-12-96	"Southwest"	3-7-97	3-17-97	4-1-97	\$150,000	97-STW-PL-2781-2012-21

			(Jackson Co. Schools)					
96-97 RFP	See above.	11-12-96	Montgomery (Schools)	3-7-97	3-17-97	4-1-97	\$100,000	97-STW-PL-2781-2012-23
96-97 RFP	See above.	11-12-96	Pamlico (Schools)	3-7-97	3-17-97	4-1-97	\$100,000	97-STW-PL-2781-2012-24
96-97 RFP	See above.	11-12-96	Person (Schools)	3-7-97	3-17-97	4-1-97	\$90,000	97-STW-PL-2781-2012-25
96-97 RFP	See above.	11-12-96	"Roanoke Valley" (Roanoke Valley CC)	3-7-97	3-17-97	4-1-97	\$136,000	97-STW-PL-2781-2012-27
96-97 RFP	See above.	11-12-96	Robeson (Schools)	3-7-97	3-17-97	4-1-97	\$200,000	97-STW-PL-2781-2012-28
96-97 RFP	See above.	11-12-96	Rockingham (Schools)	3-7-97	3-17-97	4-1-97	\$150,000	97-STW-IMP-2781-2012-23
96-97 RFP	See above.	11-12-96	Rowan (Schools)	3-7-97	3-17-97	4-1-97	\$150,000	97-STW-PL-2781-2012-29
96-97 RFP	See above.	11-12-96	Stanley (Schools)	3-7-97	3-17-97	4-1-97	\$100,000	97-STW-IMP-2781-2012-24
96-97 RFP	See above.	11-12-96	Transylvania (Schools)	3-7-97	3-17-97	4-1-97	\$100,000	97-STW-PL-2781-2012-32
96-97 RFP	See above.	11-12-96	Tyrrell (Schools)	3-7-97	3-17-97	4-1-97	\$63,000	97-STW-PL-2781-2012-33
96-97 RFP	See above.	11-12-96	Union (Schools)	3-7-97	3-17-97	4-1-97	\$150,000	97-STW-PL-2781-2012-34
96-97 RFP	See above.	11-12-96	Wake (Schools)	3-7-97	3-17-97	4-1-97	\$220,000	97-STW-PL-2781-2012-35
96-97 RFP	See above.	11-12-96	Davie (Schools)	3-7-97	3-17-97	4-1-97	\$100,000	97-STW-IMP-2781-2012-28
96-97 RFP	See above.	11-12-96	"SYSTEM" (Surry CC)	3-7-97	3-17-97	4-1-97	\$100,000	97-STW-PL-2781-2012-31

Procurement Review Form A

School-to-Work Local Partnership Planning Proposals 1997 (Year 2)

RFP #	Date/Type Adv.	Date Bidder's Conf	Name of Proposer	Date Proposal Reviewed	Firm Approved and Date	Date Contract Executed	Amount	Contract Number
96-97 RFP	Mailed to all existing partnerships in October, 1996. Mailed to contacts in non-participating partnerships.	11-12-96	Anson (Anson CC)	3-7-97	3-17-97	4-1-97	\$20,000	97-STW-IMP-2781-2012-25
96-97 RFP	See above.	11-12-96	Caldwell (Caldwell CC)	3-7-97	3-17-97	4-1-97	\$20,000	97-STW-IMP-2781-2012-26
96-97 RFP	See above.	11-12-96	"Cape Fear" (Cape Fear CC)	3-7-97	3-17-97	4-1-97	\$65,000	97-STW-PL-2781-2012-05
96-97 RFP	See above.	11-12-96	Caswell (Piedmont CC)	3-7-97	3-17-97	4-1-97	\$20,000	97-STW-IMP-2781-2012-27
96-97 RFP	See above.	11-12-96	Orange (Durham TCC)	3-7-97	3-17-97	4-1-97	\$50,000	97-STW-IMP-2781-2012-29
96-97 RFP	See above.	11-12-96	Bladen (Schools)	3-7-97	3-17-97	4-1-97	\$50,000	97-STW-PL-2781-2012-01
96-97 RFP	See above.	11-12-96	Hertford (Schools)	3-7-97	3-17-97	4-1-97	\$12,000	97-STW-IMP-2781-2012-30
96-97 RFP	See above.	11-12-96	Hoke (Schools)	3-7-97	3-17-97	4-1-97	\$50,000	97-STW-IMP-2781-2012-31
96-97 RFP	See above.	11-12-96	Hyde (Schools)	3-7-97	3-17-97	4-1-97	\$15,000	97-STW-PL-2781-2012-16
96-97 RFP	See above.	11-12-96	Johnston (Schools)	3-7-97	3-17-97	4-1-97	\$50,000	97-STW-PL-2781-2012-18
96-97 RFP	See above.	11-12-96	Martin (Schools)	3-7-97	3-17-97	4-1-97	\$50,000	97-STW-PL-2781-2012-22
96-97 RFP	See above.	11-12-96	Moore (Schools)	3-7-97	3-17-97	4-1-97	\$20,000	97-STW-IMP-2781-2012-32
96-97 RFP	See above.	11-12-96	Polk (Schools)	3-7-97	3-17-97	4-1-97	\$9,400	97-STW-IMP-2781-2012-33
96-97 RFP	See above.	11-12-96	Randolph (Schools)	3-7-97	3-17-97	4-1-97	\$70,000	97-STW-PL-2781-2012-26
96-97 RFP	See above.	11-12-96	Rutherford (Schools)	3-7-97	3-17-97	4-1-97	\$50,000	97-STW-PL-2781-2012-30
96-97 RFP	See above.	11-12-96	Watauga (Schools)	3-7-97	3-17-97	4-1-97	\$50,000	97-STW-PL-2781-2012-36
96-97 RFP	See above.	11-12-96	Wayne (Schools)	3-7-97	3-17-97	4-1-97	\$50,000	97-STW-PL-2781-2012-37
96-97 RFP	See above.	11-12-96	Wilson (Schools)	3-7-97	3-17-97	4-1-97	\$25,000	97-STW-PL-2781-2012-38

Procurement Review Form A

School-to-Work Career Major Grants 1997 (Year 2)

RFP #	Date/Type Adv.	Date Bidder's Conf	Name of Proposer	Date Proposal Reviewed	Firm Recommended	Amount	Contract Number
Career Majors RFP	Mailed to all funded partnerships.	11-12-96	Robeson County - Lumberton Senior HS	4-1-97 5-1-97	Robeson County - Lumberton Senior HS	\$75,000	97-STW-CM-2781-2012-03
Career Majors RFP	Mailed to all funded partnerships.	11-12-96	Cumberland County - Douglas Byrd HS	4-1-97 5-1-97	Cumberland County - Douglas Byrd HS	\$75,000	97-STW-CM-2781-2012-02
Career Majors RFP	Mailed to all funded partnerships.	11-12-96	Charlotte-Mecklenburg - Garinger HS	4-1-97 4-30-97	Charlotte-Mecklenburg - Garinger HS	\$80,000	97-STW-CM-2781-2012-01

Procurement Review Form A

School-to-Work Local Partnership Implementation Proposals 1996 (Year 1)

RFP #	Date/Type Adv.	Date Bidder's Conf	Name of Proposer	Date Proposal Reviewed	Date Contract Executed	Amount	Contract Number
96 RFP Planning and Implementa- tion	Mailed to Superintendents , Community College Presidents, Chambers of Commerce and other stakeholders in November '96	1-24-96	Asheville- Buncombe- Madison (Asheville Area Chamber of Commerce)	3-12-96	5-1-96	\$175,000	96-STW-IMP-02
See above.	See above.	1-24-96	Beaufort (Schools)	3-12-96	5-1-96	\$95,000	96-STW-IMP-01
See above.	See above.	1-24-96	Cabarrus (schools)	3-12-96	5-1-96	\$130,000	96-STW-IMP-03
See above.	See above.	1-24-96	Carteret (Schools)	3-12-96	5-1-96	\$100,000	96-STW-IMP-04
See above	See above	1-24-96	Catawba Valley (Catawba Valley CC)	3-12-96	5-1-96	\$160,000	96-STW-IMP-05
See above	See above	1-24-96	Charlotte- Mecklenburg (Schools)	3-12-96	5-1-96	\$210,000	96-STW-IMP-06
See above	See above	1-24-96	Cleveland (Schools)	3-12-96	5-1-96	\$130,000	96-STW-IMP-07
See above.	See above.	1-24-96	Cumberland (Schools)	3-12-96	5-1-96	\$220,000	96-STW-IMP-08
See above.	See above.	1-24-96	Davidson (Thomasville Cty. Schools)	3-12-96	5-1-96	\$175,000	96-STW-IMP-09
See above.	See above.	1-24-96	Durham (Schools)	3-12-96	5-1-96	\$160,000	96-STW-IMP-10
See above	See above	1-24-96	Edgecombe (Edgecombe CC)	3-12-96	5-1-96	\$100,000	96-STW-IMP-11
See above	See above	1-24-96	Forsyth (Schools)	3-12-96	5-1-96	\$210,000	96-STW-IMP-12
See above	See above	1-24-96	Guilford (GTCC)	3-12-96	5-1-96	\$220,000	96-STW-IMP-13
See above.	See above.	1-24-96	MAYland (Avery Co. Schools)	3-12-96	5-1-96	\$95,000	96-STW-IMP-14

See above.	See above.	1-24-96	McDowell (Schools)	3-12-96	5-1-96	\$95,000	96-STW-IMP-15
See above.	See above.	1-24-96	Nash (Schools)	3-12-96	5-1-96	\$130,000	96-STW-IMP-16
See above	See above	1-24-96	Northwest (Wilkes CC)	3-12-96	5-1-96	\$130,000	96-STW-IMP-17
See above	See above	1-24-96	Onlsow (Schools)	3-12-96	5-1-96	\$130,000	96-STW-IMP-18
See above	See above	1-24-96	Pitt (Schools)	3-12-96	5-1-96	\$160,000	96-STW-IMP-19
See above	See above	1-24-96	Richmond (Schools)	3-12-96	5-1-96	\$95,000	96-STW-IMP20
See above	See above	1-24-96	Sampson (County Schools)	3-12-96	5-1-96	\$95,000	96-STW-IMP-21
See above	See above	1-24-96	Scotland (Schools)	3-12-96	5-1-96	\$95,000	96-STW-IMP-22

Procurement Review Form A

School-to-Work Local Partnership Planning Proposals 1996 (Year 1)

RFP #	Date/Type Adv.	Date Bidder's Conf.	Name of Proposer	Date Proposal Reviewed	Amount	Contract Number
96 RFP: Planning and Implementation Grants	Mailed to Superintendents, Community College Presidents, Chambers of Commerce, and other stakeholders in November '96.	1-24-96	Bladen (Schools)	3-12-96	\$15,600	96-STW-PL-01
96 RFP	See above.	1-24-96	Brunswick (Schools)	3-12-96	\$20,800	96-STW-PL-02
96RFP	See above.	1-24-96	Burke (Schools)	3-12-96	\$20,800	96-STW-PL-03
96RFP	See above.	1-24-96	"PASCAM" (Elizabeth City Chamber of Commerce)	3-12-96	\$19,500	96-STW-PL-04
96 RFP	See above.	1-24-96	"Cape Fear" (Cape Fear CC)	3-12-96	\$29,900	96-STW-PL-05
96RFP	See above.	1-24-96	"Far West" (Clay)	3-12-96	\$23,400	96-STW-PL-06
96RFP	See above.	1-24-96	Columbus (Schools)	3-12-96	\$20,800	96-STW-PL-07
96 RFP	See above.	1-24-96	Craven (Schools)	3-12-96	\$20,800	96-STW-PL-08
96 RFP	See above.	1-24-96	Currituck-Dare (Dare Co. Schools)	3-12-96	\$19,500	96-STW-PL-09
96 RFP	See above.	1-24-96	Duplin (Schools)	3-12-96	\$15,600	96-STW-PL-10
96 RFP	See above.	1-24-96	Franklin-Vance-Granville-Warren (Vance Co. Schools)	3-12-96	\$37,700	96-STW-PL-11
96 RFP	See above.	1-24-96	Gaston (Schools)	3-12-96	\$24,700	96-STW-PL-12
96 RFP	See above.	1-24-96	Gates-Perquimans-Chowan (Chowan Co. Schools)	3-12-96	\$23,400	96-STW-PL-13
96 RFP	See above.	1-24-96	Greene-Jones-Lenoir (Lenoir Co. Schools)	3-12-96	\$28,600	96-STW-PL-14
96 RFP	See above.	1-24-96	Haywood (Schools)	3-12-96	\$15,600	96-STW-PL-15
96 RFP	See above.	1-24-96	Hyde Co. (Schools)	3-12-96	\$15,600	96-STW-PL-16
96 RFP	See above.	1-24-96	Iredell (Co. Schools)	3-12-96	\$20,800	96-STW-PL-17
96 RFP	See above.	1-24-96	Johnston Co. (Schools)	3-12-96	\$20,800	96-STW-PL-18
96 RFP	See above.	1-24-96	Lee (Schools)	3-12-96	\$15,600	96-STW-PL-19
96 RFP	See above.	1-24-96	Lincoln (Schools)	3-12-96	\$20,800	96-STW-PL-20
96 RFP	See above.	1-24-96	"Southwest" (Jackson Co.	3-12-96	\$28,600	96-STW-PL-21

			Schools)			
96 RFP	See above.	1-24-96	Marlin Co. (Schools)	3-12-96	\$15,600	96-STW-PL-22
96 RFP	See above.	1-24-96	Montgomery (Schools)	3-12-96	\$15,600	96-STW-PL-23
96 RFP	See above.	1-24-96	Pamlico (Schools)	3-12-96	\$15,600	96-STW-PL-24
96 RFP	See above.	1-24-96	Person (Schools)	3-12-96	\$15,600	96-STW-PL-25
96 RFP	See above.	1-24-96	Randolph Co. (County Schools)	3-12-96	\$26,000	96-STW-PL-26
96 RFP	See above.	1-24-96	"Roanoke Valley" (Roanoke Valley CC)	3-12-96	\$24,700	96-STW-PL-27
96 RFP	See above.	1-24-96	Robeson (Schools)	3-12-96	\$26,000	96-STW-PL-28
96 RFP	See above.	1-24-96	Rowan (Schools)	3-12-96	\$26,000	96-STW-PL-29
96 RFP	See above.	1-24-96	Rutherford Co. (Schools)	3-12-96	\$20,800	96-STW-PL-30
96 RFP	See above.	1-24-96	"SYSTEM" (Surry CC)	3-12-96	\$33,800	96-STW-PL-31
96 RFP	See above.	1-24-96	Transylvania (Schools)	3-12-96	\$15,600	96-STW-PL-32
96 RFP	See above.	1-24-96	Tyrrell (Schools)	3-12-96	\$15,600	96-STW-PL-33
96 RFP	See above.	1-24-96	Union (Schools)	3-12-96	\$20,800	96-STW-PL-34
96 RFP	See above.	1-24-96	Wake (Schools)	3-12-96	\$32,500	96-STW-PL-35
96 RFP	See above.	1-24-96	Watauga (Schools)	3-12-96	\$14,300	96-STW-PL-36
96 RFP	See above.	1-24-96	Wayne (Schools)	3-12-96	\$26,000	96-STW-PL-37
96 RFP	See above.	1-24-96	Wilson (Schools)	3-12-96	\$15,600	96-STW-PL-38

Procurement Review Form A

School-to-Work Career Guidance and Counseling Mini-Grants

RFP #	Date/Type Adv.	Date Bidder's Conf.	Name of Proposer	Date Proposal Reviewed	Date Contract Executed	Amount	Contract Number
96-97 Career Guidance Mini Grants RFP	Mailed to all JobReady partnership contacts.	N/A	Scotland County Schools	1-2-97	1-3-97	\$1000	97-CD-001
96-97 Career Guidance Mini Grants RFP	Mailed to all JobReady partnership contacts.	N/A	Buncombe County Schools	1-2-97	1-3-97	\$1000	97-CD-002
96-97 Career Guidance Mini Grants RFP	Mailed to all JobReady partnership contacts.	N/A	Fuquay Varina HS (Wake County Schools)	1-2-97	1-3-97	\$1000	97-CD-003
96-97 Career Guidance Mini Grants RFP	Mailed to all JobReady partnership contacts.	N/A	Edgecombe County Schools	1-2-97	1-3-97	\$1000	97-CD-004
96-97 Career Guidance Mini Grants RFP	Mailed to all JobReady partnership contacts.	N/A	Rowan-Salisbury Schools	1-2-97	1-3-97	\$1000	97-CD-005
96-97 Career Guidance Mini Grants RFP	Mailed to all JobReady partnership contacts.	N/A	Avery County Schools	1-2-97	1-3-97	\$1000	97-CD-006
96-97 Career Guidance Mini Grants RFP	Mailed to all JobReady partnership contacts.	N/A	Garinger HS (Charlotte-Mecklenburg Schools)	1-2-97	1-3-97	\$1000	97-CD-007
96-97 Career Guidance Mini Grants RFP	Mailed to all JobReady partnership contacts.	N/A	Roanoke High School (Martin County Schools)	1-2-97	1-3-97	\$1000	97-CD-008

Att. 8

January 21, 1998

The Honorable Donald S. Davis
North Carolina House of Representatives
P.O. Box 363
Erwin, NC 28339

Dear Don,

Your memorandum and enclosures on the Job Ready/School To Work program were truly disturbing, and I do appreciate your taking on the chore of chairing that committee and keeping us informed.

My concerns are several.

First, of course, is the rather scary prospect that employers are to be co-equal with parents in the education of their children. This is a confrontational issue: our civilization has always conceived that parents have the duty of care and nurture of their children. Totalitarian regimes throughout history have tried to supplant that precept with the idea that children belong primarily to the state. This proposed combination of the employer and the state (through its educational system) against the natural parents should really ring the alarm.

Second, is the requirement that all children be required to focus on and select a "career path" even before high school. Education thus is subverted to a mere conduit of future trained employees for the economic system. Under this approach we see a not-too-subtle thrust to change homosapiens into homofaber. (Even the German system which directs the better minds into the liberal arts and the less hopeful children into a Handelshochschule where they are trained for a craft, begins at the high school rather than the elementary school level.)

More important, this approach abandons the purpose of universal education: To inculcate the values and heritage of our society into the future citizens and voters of our republic. A "liberal education" has always been thought of as one that lifts mankind to his noblest purposes—the appreciation of "the good, the true, and the beautiful"; that prepares men to lead us into ever higher planes.

What a tragedy that North Carolina would select a path that would turn men created to be "little lower than the angels" into mere industrial drones.

I do hope your committee will meet this dangerous proposal head on and with no compromise.

Again, I appreciate your sharing with us what you have found.

Respectfully,

Hamilton C. Horton, Jr.

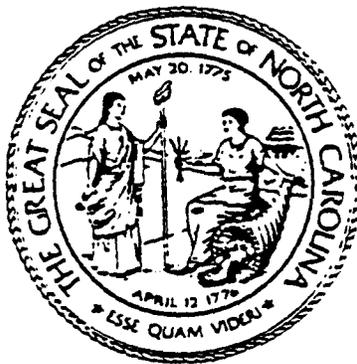
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JobReady:

Making the Right Choice in North Carolina

A Proposal to the
U.S. Departments of Labor and Education
for a
School-To-Work State Implementation Grant

June 19, 1995



Submitted by:
Governor's Commission on Workforce Preparedness
James B. Hunt Jr.
Governor
North Carolina

Submitted to:
U.S. Department of Labor
Employment & Training Administration
Division of Acquisitions and Assistance
200 Constitution Avenue, N.W., Room-4205

Attention: Ms. Laura Cesario
REF: SGA=DAA -- 007

✓ When the system is fully developed, all students will declare a Career Major from a broad cluster of occupations. They will have experienced work-based learning in their field of concentration, including school-based enterprises, Career Major Internships, cooperative education, and apprenticeships.

In the past two years, more than 2,100 people have attended state and regional school-to-work workshops to develop JobReady. This proposal represents their counsel and the subsequent strategy to engage the full support and engagement of the people of North Carolina. The Governor's Workforce Preparedness Commission will lead and coordinate the State's workforce development initiatives. The Commission and representatives from business, education, human resources, and the private sector are working together to make JobReady possible at that scale.

When the system is fully developed, all students will declare a Career Major from a broad cluster of occupations. They will have experienced work-based learning in their field of concentration, including school-based enterprises, Career Major Internships, cooperative education, and apprenticeships. Furthermore, the JobReady system will:

■ **Ensure that every North Carolina student has:**

- the opportunity to participate in work-based learning before graduation from high school.
- an understanding of the relevance of school to the real world that raises their performance and motivates them to stay in school and pursue further education and training.
- a self-image as a lifelong learner and a plan for how to meet academic and vocational aspirations.

■ **Ensure that every North Carolina school and college has:**

- a fully integrated curriculum that meets high academic and vocational standards.
- the capacity to emulate workplace techniques and solve problems.
- prepared every student for further education and training, including quality professional and technical jobs.
- helped students and their families learn about a variety of routes to acquire and finance further education and training.
- a well-trained staff prepared to help students with their transitions between different levels of education, training and the workforce.

✓ { ■ **Ensure that every North Carolina employer is:**

- an equal partner with educators and parents in the education of young people.
- fully supported in their commitment efforts to provide top quality workplace learning experiences.
- prepared to ask prospective employees about their academic and training record.

✓ In the next five years, North Carolina will reevaluate, reassess, and re-engineer its school-based learning to ensure that every student in every school in the State embraces the JobReady system.

We will revise curricula to place an emphasis on real-world relevance; provide workshops statewide to teach teachers how to integrate school and work-based education; revamp the counseling system to incorporate the use of "JobBrokers" in high schools and to focus on career development and counseling; continue our work to integrate academic and vocational education; and create a Workforce Proficiency Board to create skill standards for the State. Each local partnership will take the state-level information and mold it to fit its own community.

✓ **COMPLIANCE WITH THE GOALS 2000: EDUCATE AMERICA ACT**

North Carolina has an approved Goals 2000: Educate America Act planning grant. A fully developed plan is expected during the 1996-97 school year. This timeline is compatible with the proposed timeline to complete a comprehensive consolidated state plan under the various titles of **Improving America's School Act**. Both Acts provide the opportunity to leverage the integration of reform efforts, and to establish a vision of education and school reform for North Carolina that is articulated and shared across the key policy groups and the public.

Many of the strategies in the **Educate America Act** and the **Improving America's School Act** are already underway in North Carolina. The State has pursued reform on many fronts. Over 90 school systems are implementing effective school practices, while others are incorporating lessons from national models, such as Accelerated Schools. Leading the way is the North Carolina Education Standards and Accountability Commission.

■ **NC Education Standards and Accountability Commission**—Since its creation by the General Assembly one year ago, the North Carolina Education Standards and Accountability

Commission has traveled throughout the state listening to teachers, parents, students, business leaders, community leaders and others talk about what high school graduates should know and be able to do in order to succeed in adult life. The Commission's twenty-five members—including a broad representation of education, business, professional, civic and community leaders—will recommend rigorous and real-world education standards to the State Board of Education. These standards will specify the skills and knowledge that high school graduates should possess in order to compete in the modern economy. It proposes to have new graduation standards in place for the class of 2000. The Commission is also charged with developing fair and valid

✓ (assessments to assure that high school graduates meet these standards. It proposes the elimination of the general track, requiring all students to be enrolled in a JobReady program.

■ **The Standard Course of Study**—Since 1990, North Carolina has had curriculum frameworks in computer skills, English, language arts, healthful living, information skills, mathematics, science, social studies, and vocational education. The framework is called the "standard course of study." The revised Standard Course of Study has moved from a detailed, prescriptive curriculum guide to a more flexible guide to instruction. It outlines what K-12 students should know and be able to do as they progress through various levels of proficiency and ultimately exit from high school. The revised curriculum focuses on theories and concepts, rather than isolated facts. It emphasizes thinking skills and problem solving, rather than the memorization and recall of information. The next step is to make these standards more interdisciplinary. The Standard Course of Study forms the basis for end-of-grade assessments.

■ **Measuring Achievement—End-of-Course Tests**—End-of-Course tests are currently administered for biology, physics, English I, algebra, geometry, US history, physical science, and economic, legal and political systems. Pre- and post-tests are also administered for 60 courses in vocational and technical education. A state report card system tracks student progress, as well as that of districts and schools, on specific measures of achievement and related test indicators. The

integration of curriculum. As a result, 40% of schools are in some phase of curriculum integration. By 1996, DLS broadcasts on the effective practices of the Southern Regional Education Board's "High Schools That Work" are scheduled, including integration of vocational and academic education. JobReady will utilize the DLS resource to provide workshops and to disseminate information on developments and activities. Other measures to ensure a fully integrated curriculum include:

- All annual applications for vocational funding are required to address how local school systems are meeting and funding the goals of curriculum integration.
- All Local Partnerships applying for implementation grants are required to explain how they are integrating academic and vocational education for all students.
- All principals and curriculum specialists in the State's 119 school systems will receive technical assistance materials on curriculum integration to assist their planning, training and implementation that will be updated on an annual basis.

B. WORKPLACES: INTRODUCTIONS TO THE FUTURE

✓ When JobReady is fully implemented, all students will have at least one work-based learning experience before graduation from high school. The nature of that experience will be determined by the opportunities available in the local partnership regions and the compatibility of those opportunities to the students' chosen Career Majors and interests. However, the system provides a framework to support and guide the local initiatives. This framework includes the identification and dissemination of best practices, the definition of target industries, apprenticeship credentials and an employer engagement strategy that ensures workplace quality.

At the state level, the JobReady system will target industries with labor market shortages and occupations with high skills and high wages to provide paid work-based learning experiences. These areas are consistent with the Career Major categories and include health.

- Identify ways to use technology to free financial and human resources for counseling
- Provide training and information to parents.
- Determine multiple career choices within broad clusters.
- Incorporate non-traditional career opportunities into career development activities.

■ Grades K-5: Opening Minds to Possibilities

- ✓ • Focus on value of work and the joy of service.
- Expose students to a wide variety of careers.
- Utilize community resources and instruction

■ Grades 6-8: Exploring Interests and Aspirations

- ✓ • Conduct a complete personal assessment of strengths and abilities.
- Develop career plan for all students, with assistance of teachers and parents.
- Forward career development plan to high school.
- Encourage students to explore career paths through field trips, job shadowing and community service.
- Offer one or more of the following: Exploring Biotechnology, Exploring Life Skills, Exploring Business and Marketing, Exploring Technology Systems.

■ Grades 9-12: Gaining Experience, Making Choices

- Review the student's career development plan annually.
- Assure that student has access to and uses in-depth career and labor market information when selecting Career Major.
- Assist student in selecting Career Major by end of 10th grade.
- ✓ (• Assure that student has at least one work-based learning experience related to his/her career goal before graduation.
- Assist student in selecting postsecondary school for continuing education.
- Identify career mentors.
- Intensive counseling for 16-18 year old dropouts through One-Stop Career Centers.
- Help companies to recognize the talents of disabled students and the contributions they can make as productive members of the workforce.

■ Post-secondary Grades: Learning for Life

- Help students understand that choosing a career is a life-long process and that they will need to make a series of career decisions.

formed an *Interagency Performance Management Team* to coordinate and oversee these measures. Performance management will include:

■ **Access Measures**—North Carolina will use measures of program access to ensure that all students can enter the applicable work-based learning activities, education, and training. We will also ensure that all students have access to the school-to-work system. Access will be an important issue at the inception of JobReady and our performance measures will focus on these issues initially. We will analyze access, progress, and success on the basis of gender, race, and socio-economic background. We will consider the following types of access measures:

- increase in number of youth apprenticeships;
- comparative enrollment in post secondary education
- increase in work-based learning opportunities;
- increase in schools involved in local partnerships;
- increase in 9th graders with career development plan;
- increase in disabled students work-based learning experiences
- increase in annual reviews of career development plan;
- increase in students choosing a career major;
- increase in females in non-traditional Career Majors;

■ **Progress Measures**—We will measure the progress of every student in the area of skill mastery and in both academic and occupational skills. North Carolina is considering the following progress measures:

- ✓ (• gains or achieving mastery in academic skills. This will probably be measured in terms of the attainment of the certificate of initial mastery once it is developed. Until it is, we will use attainment of a high school diploma or a GED.
- attainment of a post secondary degree.
- gains in occupational skills/competencies or achievement of mastery. Evidence of mastery will be attainment of industry recognized skill standards. We will use both skill certificates
- ✓ (endorsed by the North Carolina's Workforce Proficiency Board and those recognized by the National Skill Standards Board. We will use the VoCATS system to measure mastery of course competencies in vocational and technical education.

■ **Success or Outcome Measures**—Employers will look to JobReady to meet their needs for a trained workforce. We propose to consider reductions in the costs of training and initial

Companies already know the answer to that question. In a 1994 survey of 3500 North Carolina businesses, 80% responded that inadequate worker skills were a major obstacle to developing into high performance workplaces. They are already investing huge sums of money and time into remedial training for workers. Once the JobReady system is fully implemented, employers will begin to leverage their training resources to promote higher levels of skills for workers and a brighter future for themselves. Investing more time in youth education and training will eventually allow North Carolina business to shift the money spent on remediation into training for high performance work.

However, there are other obstacles. The North Carolina school-to-work system, to be comprehensive and sustainable, must meet the needs and interests of employers. Special grants, tax credits, and other economic subsidies are not incentives to participate in school-to-work; however, they can be powerful tools for overcoming obstacles to employer involvement. Some of these obstacles include:

- lack of time to train and supervise students
- ✓ (• cost of wages, worker's compensation and changes to accommodate student schedules
- risk of liability & exposure under the child labor regulations
- burden of administrative activities required for student workers
- shortage of equipment, space and/or meaningful work for a student

Employers who take students into the workplace incur costs: time, money, equipment, and exposure to liabilities. At the state level, North Carolina will work with leading businesses to identify the specific legislative and fiscal reform necessary to offset these burdens.

Analysis of some of the world's leading systems of education and training, such as Germany and Denmark, have utilized other incentives to participate in STW:

- ✓ (• **Recruitment and Selection**—Employers often find that jobs are hard to fill. Companies involved in school-to-work will have the opportunity to "grow their own employees." By engaging promising young people in an industry and shaping their education and training.

A.H. 810

MEMORANDUM

BY FACSIMILE TRANSMISSION

TO: Danny Coates
DPI Purchasing Section

FROM: Ken Eudy
Capital Strategies, Inc.

SUBJECT: Award Status on Contract for a Communication Package for the North Carolina School Improvement Panel

DATE: March 22, 1996

You must be kidding.

Inasmuch as the chairman of the School Improvement Panel, Mr. Lowell Thomas, has made it clear that he is uninterested in working with Capital Strategies, Inc., we respectfully decline to spend another minute on this farce.

We will not assist Mr. Thomas in legitimizing a flawed process. He already has publicly and enthusiastically expressed his preference. We're confident that after this sham of a re-bid, the ballot box will be stuffed with the same results.

To quote from Larry McLamb's March 21 memo on this matter, "We will not respond to any questions concerning this memorandum. You have all the information required...."

Capital Strategies, Inc. 115½ West Morgan Street Raleigh, NC 27601 tel: 919-828-0806 fax: 919-834-7959
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Legislative Services Office**

A.H. X 11

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March 23, 1998

MEMORANDUM

TO: House Select Committee For Federal Education Grants

FROM: Gerry F. Cohen
Director of Legislative Drafting

SUBJECT: Right of the General Assembly to Appropriate Federal Funds

✓ Your chairman, Representative Don Davis, has asked for my opinion as to whether State agencies may spend federal funds in the absence of approval from the General Assembly. In my opinion, the answer is no. It is my opinion that the General Assembly DOES have the power to decide if federal funds are to be spent, under the authority of Article 5, Section 7 of the North Carolina Constitution, which states in pertinent part "(1) State treasury. No money shall be drawn from the State treasury but in consequence of appropriations made by law ..." This would apply unless there was some specific language in the Congressional appropriation to bypass normal state decision-making, unless I am not aware of any such specific language.

The North Carolina Supreme Court in Advisory Opinion In re Separation of Powers, 305 NC 767 (1982) held the provision unconstitutional for delegating the power out of session to a committee. It never reached the central issue, stating "The inquiry presented relates to federal block grant funds ... presents two questions ...(1) Does the General Assembly have the authority to determine if the State or its agencies will accept the grants in question, and, if accepted, the authority to determine how the funds will be spent? ... We decline to answer question (1) just posed ... we do not perceive any exigent need to address this part of the inquiry and to engage now in the lengthy research that would be required to answer it ..." (Id. At 779)

✓ A number of state Supreme Courts have faced this identical issue, with mixed results. The highest state courts in New York and Pennsylvania have upheld state legislative control over this matter.

In Anderson v. Regan, 425 N.E. 2d 792 (1981) the New York Court of Appeals (that state's highest court) stated: "The appeal requires us to interpret and apply section 7 of article VII of the State Constitution, which provides that "[n]o money shall ever be paid out of the state treasury or any of its funds, or any of the funds under its management, except in pursuance of an appropriation by law". Relying upon past practices of the Executive Department and the

Legislature, the Appellate Division, 80 A.D.2d 490, 439 N.Y.S.2d 776, concluded that the Federal funds in issue are not subject to this constitutional proscription. We now reverse and hold that because the money in question falls within both the literal language and the underlying purpose of the constitutional provision, it cannot be spent without legislative approval in the form of a duly enacted appropriation bill." , adding " Initially, we note that the wording of the constitutional provision governing the expenditure of State funds is clear and uncomplicated. Section 7 of article VII of the State Constitution, quite simply, requires that there be a specific legislative appropriation each time that moneys in the State treasury are spent. The constitutional provision does not differentiate among funds on the basis of their source, and there is thus no logical justification for excluding Federal funds from its ambit on the theory that they are derived *360 from Federal taxation programs and are given to the States to promote national goals. So long as the funds are placed within the State treasury, the clear language of the Constitution prevents their removal without legislative authorization." (Id at 793)

The New York Court also noted: " Even more important, however, is the need to ensure a measure of accountability in government. As the framers of the Constitution astutely observed, oversight by the people's representatives of the cost of government is an essential component of any democratic system. Under the present system, some one third of the State's income is spent by the executive branch outside of the normal legislative channels. The absence of accountability in this sector of government is, manifestly, an unacceptable state of affairs in light of the framers' intention that all of the expenditures of government be subjected to legislative scrutiny." (id at 796-7) and " Finally, we note that application of the strictures imposed by > section 7 of article VII to Federal funds is necessary to the maintenance of the delicate balance of powers that exists between the legislative and executive branches of government (see N.Y.Const., art. III, S 1; art. IV, S 1). In our system, the right to establish and implement the policies of the State through the use of the spending power is shared by the executive and legislative branches, each of which has a distinct, constitutionally defined role to play in the budget-making process (see > Matter of County of Oneida v. Berle, 49 N.Y.2d 515, 522-523, 427 N.Y.S.2d 407, 404 N.E.2d 133). The right of the executive branch to participate in the process is ensured by section 7 of article IV and sections 2 and 4 of article VII, which authorize the Governor to submit a proposed budget to the Legislature and to veto specific appropriation measures on a line-by-line basis. The right of the Legislature to participate is, in turn, ensured by its general law-making power." (Id at 797)

In a footnote, the court spoke about federal law "Wheeler v. Barrera, 417 U.S. 402, 94 S.Ct. 2274, 41 L.Ed.2d 159, cited by the dissent, is not persuasive. It holds only that if the Federal Government prescribes the objects and uses to which Federal funds made available to a State are to be applied, the accepting State may not, in response to the dictates of its Constitution or statute, divert the funds from such objects and uses. There is no basis, however, for assuming that our Legislature, having once elected to authorize State participation in a Federal program, would use its appropriation authority to violate Federal law or divert Federal funds from their intended purpose. And, since the mere application of the appropriation requirement to Federal funds received by the State is not inherently at odds with any of the existing Federal mandates, the dissenters' invocation of the supremacy clause and concerns about the potential for conflict between the State and Federal governments." (Id at 798, fn 12)

The Pennsylvania Supreme Court in Shapp v. Sloan, 391 A. 2d 595 (1978) used very similar language in upholding the Legislative branches power to appropriate federal funds. I am aware that the Supreme Courts of Arizona, New Mexico, Massachusetts have stated that the legislature

✓ does not have power to appropriate funds because the state merely holds them in trust, but it is my feeling that based on the strict interpretation our Supreme Court has placed on the separation of powers doctrine, and the similarity between our constitutional provision and those of New York and Pennsylvania, that our court would uphold the right of the General Assembly to appropriate federal funds.

✓ It is important to note that there is a big distinction between applying for a grant and expending it. For example, Section 203(a) of the School-to-Work Opportunities Act of 1994, Public Law 103-239 states that the Governor is to apply for a grant. Nevertheless, Section 204 makes it clear that the application is submitted "by a State". It is not the Governor's personal application. Under our State constitution, the Executive branch carries out executive functions of applying for the funds and administering them. The General Assembly as the legislative branch decides whether the funds are to be spent.

The General Assembly *has* often granted a blank check to agencies in receiving and expending federal funds. The 1997 budget, in section 7.1 of S.L. 1997-443 stated "There is appropriated out of the cash balances, federal receipts, and departmental receipts available to each department, sufficient amounts to carry on authorized activities included under each department's operations. All these cash balances, federal receipts, and departmental receipts shall be expended and reported in accordance with provisions of the Executive Budget Act, except as otherwise provided by statute, and shall be expended at the level of service authorized by the General Assembly."

G.S. 143-34.2 states:

"§ 143-34.2. Information as to requests for nonstate funds for projects imposing obligation on State; statement of participation in contracts, etc., for nonstate funds; limiting clause required in certain contracts or grants.

All State agencies, funds, or state-supported institutions shall submit to the Office of State Budget and Management, as of the original date thereof, copies of all applications and requests for nonstate funds, (including federal funds), to be used for any purpose to which this section is applicable. This section shall be applicable to all projects and programs which do or may impose upon the State of North Carolina any substantial financial obligation at the time of or subsequent to the acceptance of any funds received upon any such application or request. Every State agency, fund or state-supported institution seeking nonstate funds for any such project or program shall furnish to the Office of State Budget and Management and the Advisory Budget Commission with each such copy of application or request, a statement of the purposes for which any such project or program is desired or advocated, the source and amount of funds to be granted or provided therefor, and a statement of the conditions, if any, upon which such funds are to be provided. Prior to approval of any such project or program, the Office of State Budget and Management shall furnish to the Fiscal Research Division of the General Assembly a list of the projects or purposes and the current and future financial impact of those projects or purposes. It shall be required of all State agencies, funds, or state-supported institutions, commissions or regional planning and development bodies to submit to the Office of State Budget and Management a statement of participation in any contract, agreement, plan or request for nonstate funds (including federal funds).

Any contract or grant entered into by a State board, commission, agency, department or institution for the operation of a new program by such State board, commission, agency, department or institution or for the enrichment of an ongoing program of such State board,

commission, agency, department or institution shall include a limiting clause which specifically states that continuation of the contract or grant program with State appropriations beyond the current State fiscal year is subject to State funds being appropriated by the General Assembly specifically for that program.

The function of the Advisory Budget Commission under this section applies only if the Director of the Budget consults with the Commission in preparation of the budget."